

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COLUMBIA, SOUTH CAROLINA

HEARING #10895

NOVEMBER 7, 2007  
*Anderson, South Carolina*

6:30 P.M.

**DOCKET NO. 2007-286-WS:**

Application of Utilities Services of South Carolina, Incorporated,  
for adjustment of rates and charges, and modifications to certain  
terms and conditions for the provision of water and sewer service

**HEARING BEFORE:** G. O'Neal HAMILTON CHAIRMAN, C. Robert  
MOSELEY, VICE CHAIRMAN; and COMMISSIONERS John E. "Butch"  
HOWARD, David A. WRIGHT, Elizabeth "Lib" FLEMING, Mignon L.  
CLYBURN, and Randy MITCHELL.

ADVISOR TO COMMISSION: Joseph Melchers, Esq.

**STAFF:** Jocelyn G. Boyd, Deputy Clerk; Philip Riley, Advisory Staff; Jo  
Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter; and Bill Richardson and  
Patty Sands, Hearing Room Assistants.

**APPEARANCES:**

JOHN M.S. HOEFER, ESQUIRE, and BENJAMIN P. MUSTIAN,  
ESQUIRE, on behalf of Utilities Services of South Carolina,  
Inc., APPLICANT.

FLORENCE BELSER, ESQUIRE, and SHEALY B. REIBOLD,  
ESQUIRE, on behalf of the Office of Regulatory Staff.

TRANSCRIPT OF TESTIMONY AND PROCEEDINGS

VOLUME 2 of 3

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***PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA***

## I N D E X

	PAGE
TESTIMONY OF SEN. KEVIN L. BRYANT	
Direct Testimony .....	11
Hearing Exhibit No. 3 marked/received .....	13
TESTIMONY OF STEVE WILSON	
Direct Testimony .....	16
TESTIMONY OF MELANIE WILSON	
Direct Testimony .....	17
Question(s) by Commissioner Clyburn .....	24
Hearing Exhibit No. 4 marked/received .....	25
TESTIMONY OF LARRY W. McALISTER	
Direct Testimony .....	--
TESTIMONY OF BROOKS S. BROWN IV	
Direct Testimony .....	26
Question(s) by Commissioner Mitchell .....	28
Question(s) by Commissioner Howard .....	29
TESTIMONY OF RICHARD GIBSON	
Direct Testimony .....	--
TESTIMONY OF WILLIAM COOKE	
Direct Testimony .....	30
TESTIMONY OF MICHAEL CUNNINGHAM	
Direct Testimony .....	32
Hearing Exhibit No. 5 marked/received .....	37
TESTIMONY OF MARY McABEE	
Direct Testimony .....	37
TESTIMONY OF SCOTT JOHNSON	
Direct Testimony .....	39
Question(s) by Commissioner Mitchell .....	44
Question(s) by Commissioner Fleming .....	44
TESTIMONY OF JAMES BREDENKAMP	
Direct Testimony .....	46
TESTIMONY OF DAVID LOUDIN	
Direct Testimony .....	47

# **I N D E X** (Cont'g)

	<b>PAGE</b>
TESTIMONY OF LEE LEARY	
Direct Testimony .....	50
TESTIMONY OF CATHERINE ADAMS	
Direct Testimony .....	52
Question(s) by Commissioner Mitchell .....	54
Question(s) by Commissioner Clyburn .....	55
TESTIMONY OF MIKE WALSH	
Direct Testimony .....	55
TESTIMONY OF DARREL ROGERS	
Direct Testimony .....	56
Question(s) by Commissioner Mitchell .....	57
Question(s) by Mr. Hoefer .....	58
Question(s) by Commissioner Howard .....	59
TESTIMONY OF JEREMY CROWE	
Direct Testimony .....	60
TESTIMONY OF GINGER KIRBY	
Direct Testimony .....	61
Question(s) by Commissioner Clyburn .....	62
TESTIMONY OF ANTHONY THOMPSON	
Direct Testimony .....	62
Question(s) by Commissioner Clyburn .....	63
TESTIMONY OF MIKE LOFTIS	
Direct Testimony .....	64
Question(s) by Commissioner Mitchell .....	65
TESTIMONY OF JOHNNY FULLER	
Direct Testimony .....	65
Question(s) by Mr. Hoefer .....	67
TESTIMONY OF LOUISE CHASTEEN	
Direct Testimony .....	68
Question(s) by Mr. Hoefer .....	72
TESTIMONY OF ROBERT OPPERMAN	
Direct Testimony .....	72
Question(s) by Commissioner Clyburn .....	74

**I N D E X**  
**(Cont'g)**

	<b>PAGE</b>
TESTIMONY OF EUGENE STUCKY	
Direct Testimony .....	74
Question(s) by Commissioner Clyburn .....	76
TESTIMONY OF PETER KRATZ	
Direct Testimony .....	76
Question(s) by Commissioner Mitchell .....	80
Question(s) by Vice-Chairman Moseley .....	82
TESTIMONY OF LARRY CHATHAM	
Direct Testimony .....	83
Question(s) by Commissioner Howard .....	87
TESTIMONY OF CLAIRE HICKS	
Direct Testimony .....	87
TESTIMONY OF BILL KONEN	
Direct Testimony .....	90
TESTIMONY OF KEN CHEEK	
Direct Testimony .....	91
TESTIMONY OF LOU ROTOLA	
Direct Testimony .....	93

P R O C E E D I N G S

1  
2           **CHAIRMAN HAMILTON:** We'll call the public hearing of  
3 the Public Service Commission of South Carolina to order.  
4 I'd like to welcome each one of you to the hearing. I  
5 think we've got a good audience tonight. Seems like  
6 we've got a full house. And if you can't find a seat, I  
7 think we have some others around, and maybe somebody can  
8 try to help you get one out, so you'll be comfortable as  
9 you can be.

10           I'd like, at this time, to introduce the fellow  
11 Commissioners to you. On my far right is Commissioner  
12 Fleming; next to her is Commissioner Clyburn;  
13 Commissioner Mitchell. On this end is Commissioner  
14 Howard, Commissioner Wright, Commissioner Moseley, and  
15 myself, O'Neal Hamilton, Chairman of the Commission at  
16 this time.

17           I don't know -- the crowd is large. If any members  
18 of the delegation have arrived, we have had contacts from  
19 most of the ones in your delegation, and they could be  
20 here. If they are, if you'll please stand, we'll  
21 recognize you, but Senator Bryant and Senator O'Dell,  
22 Representative White, Bowen, and Thompson all have been  
23 in contact with the Commission and had tried to work  
24 their schedule so they could be with us today, and we  
25 thank them for that.

1           At this time, I'm going to turn it over to Mr.  
2 Melchers to give you the rules and conduct of the  
3 hearing.

4           **MR. MELCHERS:** Thank you, Mr. Chairman. Good  
5 evening, ladies and gentlemen. This hearing is being  
6 held in Docket No. 2007-286-WS, regarding the application  
7 of Utilities Services of South Carolina, Incorporated,  
8 for adjustment in rates and charges for water and sewer  
9 service. It is being held at the Anderson County  
10 Library, 300 North McDuffie Street, Anderson, South  
11 Carolina 29621.

12           The company's last case was filed with the  
13 Commission on July 19, 2005, in Docket No. 2005-217-WS.  
14 The company entered into a settlement agreement with the  
15 Office of Regulatory Staff, or ORS, which settled all  
16 issues in that case. The Commission held a hearing in  
17 Columbia, South Carolina, on December 15, 2005, and  
18 thereafter issued an order approving the settlement  
19 agreement in that case.

20           On August 7, 2007, the company filed this current  
21 application for adjustment of rates and charges, and  
22 modifications to certain terms and conditions for the  
23 provision of water and sewer service.

24           Prefiled testimony has not yet been filed in this  
25 case. The hearing will be held on December 13th in

1 Columbia, and the Commission will make a ruling  
2 thereafter.

3 Again, my name is Joseph Melchers. I'm the chief  
4 counsel for the Public Service Commission. We have  
5 members of the Public Service Commission staff here this  
6 evening, who are trying to help with the seating and with  
7 getting you signed up. The Office of Regulatory Staff  
8 also has its members present this evening, and they are  
9 over here [indicating]. If you all would raise your  
10 hands. And I believe at least one in the back of the  
11 room -- thank you, very much. They are available to you,  
12 to speak with, at the end of the hearing, if you so  
13 desire, although we will be limited in terms of space,  
14 and you may find yourself out on the sidewalk with them.

15 Let me also introduce the company's attorney, John  
16 Hoefer, and his fellow attorney, Ben Mustian. And I  
17 believe there may be company representatives here this  
18 evening. John, do you want to address that?

19 **MR. HOEFER:** Yes, there are -- company  
20 representatives are here and will be available to answer  
21 your questions after the hearing.

22 **MR. MELCHERS:** Okay. Thank you. This is the night  
23 hearing for Docket No. 2007-286-WS. In just a moment,  
24 I'll be calling the names of those who have signed up  
25 outside to come forward and give their statement to the

1 Commission regarding the rate increase proposed by the  
2 company. First, I need to go over some ground rules with  
3 you.

4 Everything that you have to say tonight will be put  
5 into the record of the case by our court reporter, Jo  
6 Wheat -- Jo? -- and you will be sworn, prior to giving  
7 your statement. Please state your name, your address,  
8 your subdivision, please, after being sworn in. Please  
9 speak into the microphone. Otherwise, the court reporter  
10 will not be able to record what you have to say tonight.

11 You may be asked questions at the completion of your  
12 statement, either by the Commissioners, by the company  
13 attorney, or by the Office of Regulatory Staff. Please  
14 remain at the podium for a moment after giving your  
15 statement, so that the Commissioners or the attorneys may  
16 ask you any questions. Please, if you are asked a  
17 question, let them complete the question before you give  
18 your answer. It's hard for our court reporter to take  
19 down two people talking the same time. Thank you.

20 If you speak tonight, you will not be permitted to  
21 speak at the hearing in Columbia, unless otherwise  
22 directed by the Commission under unusual or extenuating  
23 circumstances. The usual rule is one bite at the apple.  
24 Further, if you're an intervenor in this case, we would  
25 ask that you hold your testimony until the December 13



1 hearing in Columbia. Intervenors are folks who have  
2 filed a petition to intervene, pursuant to the  
3 Commission's Regulation 103-825 and have to file prefiled  
4 testimony for any witness that they plan to present at  
5 the hearing in Columbia. The posted deadline for  
6 intervention has passed.

7 We have many people who have requested to speak  
8 tonight. The library has graciously allowed us to meet  
9 in their facilities. They have told us we need to clear  
10 the building by 8:30. So we've got two hours, folks.  
11 So, I know you want to be fair to your neighbors and give  
12 them a chance to speak, as well, so please tailor your  
13 comments to the time that we have available. We ask that  
14 you limit your time to five minutes or less, to be fair  
15 to your neighbors. If another person before you says  
16 what you want to say, it's fine to adopt their statement  
17 or just briefly state that you support or oppose the  
18 company's request, when it comes your turn.

19 Also, tonight's focus is on you. This hearing is  
20 not a time to ask the Commissioners questions. They are  
21 here to hear from you. It's time for you to be heard on  
22 the subject of the company's application. Also, your  
23 time to address the Commissioners is during the hearing  
24 itself. In other words, rather than approaching  
25 Commissioners with statements after the hearing, please

1 place your comments on the record at the podium so that  
2 the court reporter has the opportunity to record it for  
3 all the parties. After the hearing, you may speak with  
4 ORS or the company's representatives with any questions  
5 you may have.

6 Lastly, do me a big favor and either mute your cell  
7 phones or turn them off, so that we don't have that  
8 interruption during the hearing.

9 With that, Mr. Chairman, we'll begin to call  
10 witnesses.

11 **CHAIRMAN HAMILTON:** All right. Thank you. I  
12 believe somebody said that Representative White is here  
13 now. If we could -- Brian, would you like to have  
14 something -- Kevin Bryant is here also. If y'all would  
15 like to have something to say, we'd be happy to hear from  
16 you at this time.

17 **REP. WHITE:** First of all, welcome to Anderson. I  
18 see you all in Columbia all the time, but I know some of  
19 you haven't been, and I really do sincerely appreciate  
20 the fact that you all actually came to Anderson to have  
21 this meeting tonight. A lot of these folks in the room  
22 are constituents, and some of them asked me to do this  
23 because they were unable to travel to Columbia to do  
24 this, and obviously there is great concern about the  
25 water and the rates. But I'm thankful you all came up

1 here to have this meeting. I really appreciate it.

2 **CHAIRMAN HAMILTON:** Happy to do it.

3 **REP. WHITE:** Thank you all.

4 **CHAIRMAN HAMILTON:** Thank you. Senator Bryant?

5 **SENATOR BRYANT:** Yes, sir, I had a letter that I  
6 wanted to present. Shall I go to the microphone?

7 **CHAIRMAN HAMILTON:** Yes, sir, if you would. If you  
8 do have something that you would like to go into the  
9 record, Senator, we'll need to swear you in.

10 *THEREUPON came,*

11 *K E V I N L . B R Y A N T ,*  
12 *who, having been first duly sworn, testified as follows:*

13 **MS. BOYD:** Please state your name and address, for  
14 the record.

15 **CHAIRMAN HAMILTON:** Thank you, Senator.

16 **WITNESS:** Thank you, Commissioner. My name is Kevin  
17 Bryant, and I represent all of these customers in  
18 Anderson County, in the South Carolina Senate, and I did  
19 have a written statement that I would like to have added  
20 to the record, and if I could just read that please.

21 **CHAIRMAN HAMILTON:** Yes, sir.

22 **WITNESS:** Dear Public Service Commissions, thank you  
23 very much for having a public hearing in Anderson  
24 concerning the rate increase proposal by the Utilities  
25 Services of South Carolina. I have a number of

1 constituents with documents verifying less than average  
2 water pressure, low quality customer service, and water  
3 quality issues. There is also a comparison of  
4 neighboring water companies charging rates already less  
5 than those of the USSC.

6 I am sure the USSC will give you several reasons to  
7 justify these rate increases. For whatever these reasons  
8 may be, I would think the neighboring water companies  
9 have similar circumstances, yet the neighboring customers  
10 seem to get fairer treatment. Simply put, these  
11 customers should not be subject to funding mismanagement  
12 practices of USSC. It is not their problem.

13 I would like to encourage the members of the Public  
14 Service Commission to take great efforts to examine the  
15 issues raised by my constituents. I am a retail  
16 pharmacist. In my profession, an unsatisfied customer  
17 can simply choose to shop at a different drug store here  
18 in town. Utilities customers do not have an option.  
19 Therefore, we ask you, the Public Service Commission, to  
20 intervene and protect these working families. They  
21 simply cannot afford an unfair price increase for an  
22 essential need such as water.

23 Respectfully, Kevin L. Bryant.

24 **CHAIRMAN HAMILTON:** Thank you, Senator. If you  
25 would --

1 [Applause]

2 **CHAIRMAN HAMILTON:** All right. If you will --

3 [WHEREUPON, Hearing Exhibit No. 3 was  
4 marked and received in evidence.]

5 [WHEREUPON, the witness stood aside.]

6 **CHAIRMAN HAMILTON:** Mr. Hoefer, did you have any  
7 opening statement, sir?

8 **MR. HOEFER:** Mr. Chairman, no opening statement. I  
9 would just ask for a ruling from the Chair; I made an  
10 objection at the first night hearing, and ask that it be  
11 continued -- be treated as a continuing objection. In  
12 the interest of time, unless you want me to restate the  
13 objection, I would just ask that that --

14 **CHAIRMAN HAMILTON:** It will be continuing. Thank  
15 you, sir.

16 **MR. HOEFER:** Thank you, Mr. Chairman.

17 **CHAIRMAN HAMILTON:** And ORS's answer, I'm sure you'd  
18 like for that to be continued?

19 **MS. REIBOLD:** Yes, sir.

20 **CHAIRMAN HAMILTON:** Okay. Thank you, very much.  
21 With that -- Mr. Hoefer, instead of calling on you to  
22 question a witness, if you desire to question one, if you  
23 will just rise, I'll recognize you. That might save a  
24 little time, to go back and forth.

25 **MR. HOEFER:** Yes, Mr. Chairman. Thank you.

1           **CHAIRMAN HAMILTON:** Thank you, very much. We've had  
2 a request, Mr. Hoefer, that you make your motion.

3           **MR. HOEFER:** Certainly, I'll be glad to, Mr.  
4 Chairman.

5           **CHAIRMAN HAMILTON:** All right, sir.

6           **MR. HOEFER:** Mr. Chairman, the Applicant would state  
7 its objection to testimony consisting of unsubstantiated  
8 complaints regarding customer service, quality of  
9 service, or customer relations issues. The basis for  
10 this objection is that the receipt and reliance upon such  
11 testimony would deny the Applicant due process of law,  
12 permits the complaint procedures established under law  
13 and Commission regulation to be circumvented, and is not  
14 a proper basis for determining just and reasonable rates.

15           In support of this objection, the Applicant would  
16 cite Patton versus PSC, 312 SE2d 257; order of the Court  
17 of Common Pleas in Tega Cay Water Service versus PSC,  
18 Docket No. 97-CP-40-0923, dated September 25, 1998; and  
19 Commission Order No. 1999-191, Docket No. 96-137-W/S.

20           The Applicant would request that this objection be  
21 deemed a continuing objection, such that there would not  
22 be a need for repeated objections each time a customer  
23 testifies to matters of this nature, and cites in support  
24 of that request State v. Douglas, 626 SE2d 59. The  
25 Applicant would also request the continuing objection

1       apply to documents and testimony elicited on cross by the  
2       Office of Regulatory Staff or the Commission, and that  
3       the Chairman defer a ruling on the continuing objection  
4       until a final order is issued in this case. Thank you,  
5       Mr. Chairman.

6               **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
7       Hoefer. Office of Regulatory Staff?

8               **MS. REIBOLD:** Good evening.

9               **CHAIRMAN HAMILTON:** Good evening.

10              **MS. REIBOLD:** Mr. Chairman, just to briefly address  
11       the company's remarks, ORS does not oppose the continuing  
12       objection process presented by the company, but we do not  
13       believe a complaint has to be corroborated or  
14       substantiated in any way aside from the customer's actual  
15       testimony. Therefore, we believe the testimony the  
16       company objects to is admissible for purposes of this  
17       night hearing.

18              We also do not believe the legal authority cited by  
19       the company fully supports the grounds for this  
20       objection. Keeping this in mind, we ask the Commission  
21       to take notice of ORS's position, and would further  
22       reserve our right to respond in writing to the company's  
23       basis for its continuing objection.

24              In addition, we ask that, within a reasonable time  
25       after this hearing, the company submit a letter to the

1 Commission setting forth the specific portions of the  
2 testimony the company objects to under its continuing  
3 objection, the reason for the company's objection, and  
4 the identity of the speaker. The letter would allow  
5 those who took time from their evening tonight to speak,  
6 to see on the Commission's website whether any portion of  
7 their testimony is being objected to by the company.

8 We believe this is fair and reasonable to everyone  
9 involved, and we're hopeful the company will agree to  
10 this request.

11 MR. HOEFER: The company would agree, Mr. Chairman.

12 CHAIRMAN HAMILTON: Thank you, very much. And the  
13 motion will be accepted by the Chair and ruled on in the  
14 final order.

15 MR. HOEFER: Thank you, Mr. Chairman.

16 CHAIRMAN HAMILTON: Joseph, would you call the first  
17 witness, please, sir?

18 MR. MELCHERS: Thank you, Mr. Chairman. The first  
19 witness is Steve Wilson, if you would please approach the  
20 podium to be sworn in, and state your name, address, and  
21 subdivision

22 *THEREUPON came,*

23 **S T E V E W I L S O N ,**

24 *who, having been first duly sworn, testified as follows:*

25 **WITNESS:** My name is Steve Wilson. 1010 Windwood



1 Drive, Anderson, Lakewood subdivision.

2 Like most everyone here tonight, I am against this  
3 rate increase. My wife and I prepared a presentation, so  
4 I will yield the remainder of my time to her for this  
5 presentation.

6 **CHAIRMAN HAMILTON:** Thank you, sir.

7 [WHEREUPON, the witness stood aside.]

8 **MR. MELCHERS:** Mr. Chairman, we would call Melanie  
9 Wilson.

10 *THEREUPON came,*

11 **M E L A N I E W I L S O N ,**

12 *who, having been first duly sworn, testified as follows:*

13 **WITNESS:** My name is Melanie Wilson. I live at 1010  
14 Windwood Drive. That's in Lakewood subdivision. Thank  
15 you for allowing me to speak tonight.

16 My husband, Steve, and my three children, and I have  
17 lived in Anderson -- lived in Lakewood subdivision for  
18 nearly three and a half years. Lakewood subdivision has  
19 70 homes in it. Many of the residents have lived here  
20 for at least ten years, some of them for more than 30  
21 years. I'm here tonight acting as a spokesperson for our  
22 neighborhood. Some of our residents are here tonight,  
23 and if they are here I would ask them to please stand at  
24 this time.

25 [WHEREUPON, approximately 25-30 attendees

1                   stood.]

2                   Thank you. As you know, we're here about our water  
3 rates. Utilities Services has requested another very  
4 large water rate increase. It's the second one proposed  
5 in the last two years.

6                   First, a little bit of history about our  
7 neighborhood's water situation. Hughes' Well Company  
8 originally owned our subdivision's water supply. Our  
9 system was eventually sold, the wells were closed, and  
10 the owning company began purchasing water from Hammond  
11 Water District. Our current owner is Utilities Services  
12 of South Carolina. Hammond has a meter at the entrance  
13 to our neighborhood and simply charges Utilities Services  
14 for the amount of water we use each month. Each home in  
15 the neighborhood also has a private meter from which our  
16 individual usage is determined.

17                  There are several other neighborhoods in Anderson  
18 County with the same history and situation as ours. Some  
19 of them asked me to represent them tonight, as well.  
20 Would those from Oakwood Estates and Hill and Dale please  
21 stand.

22                               [WHEREUPON, approximately 35-40 attendees  
23                               stood.]

24                  Thank you. Now, in the three years that my family  
25 has lived in Lakewood subdivision, our bill has increased

1 a lot, but my family's water usage has actually  
2 decreased. I have all the water bills for my family over  
3 the past three years, and so I did a little math. In the  
4 first year that we lived here, from July 2004 to June  
5 2005, my water bill averaged \$34.36 per month and we used  
6 about 7,200 gallons of water. I noticed this was a bit  
7 higher than the neighborhood I used to live in. In the  
8 second year, our water bill increased to an average of  
9 \$35.31, about a 2 percent increase, but my family's water  
10 usage decreased to an average of 6,500 gallons of water  
11 per month.

12 It was during the second year, August 2005, that  
13 Utilities Services of South Carolina asked for a large  
14 rate increase. They got most all of it. So in our third  
15 year living in Lakewood, we really saw an increase. From  
16 July 2006 to June 2007, our average bill was \$46.90 per  
17 month and our water usage averaged about 7,000 gallons  
18 per month. This is a huge increase, nearly 33 percent in  
19 one year. Yes, my water usage went up slightly, but it  
20 was still less than the first year we lived in this  
21 house.

22 In summary, if you compare the first year we lived  
23 in Lakewood subdivision to our third year, my water bill  
24 increased by 36.5 percent, but my family's water usage  
25 has actually dropped by 2.7 percent.

1           Now Utilities Services of South Carolina wants  
2           another large increase, their second in two years. Based  
3           on my water bill, I will pay about \$20 more per month.  
4           And I know of other people in our neighborhood whose  
5           bills run over \$100 every month. I don't know about you,  
6           but that doesn't make sense and it doesn't seem right,  
7           especially in comparison to what others around us pay.

8           Take a look at this chart -- and if you don't know,  
9           it's behind your head, but I know it's hard to see so I  
10          gave you a little copy of our slideshow.

11          **CHAIRMAN HAMILTON:** Yes, ma'am.

12          **WITNESS:** It shows water rates for seven other water  
13          companies in Anderson County. At the bottom of the chart  
14          is our rate and also the proposed increased rate. I  
15          should note that the figures on this chart are based on  
16          the use of 6,000 gallons of water. Notice all but one of  
17          the other companies bill bimonthly while we are billed  
18          monthly. Also note that we pay Utilities Services a  
19          basic rate of \$14.39, which does not include the use of  
20          any water. All the other companies include the use of  
21          4,000 gallons in their basic rates. We then pay \$2.24  
22          per 1,000 gallons, and then an additional district water  
23          fee that varies, starting at \$2.24 per 1,000 gallons.

24          It appears to us that we're being double-billed. In  
25          addition, since our most recent large Utilities Services

1       increase, we cannot interpret or calculate our own water  
2       bill.

3             If you'll take a look at this photo, Lakewood  
4       subdivision is on the right and Green Hills subdivision  
5       is on the left directly beside Lakewood. In fact, many  
6       of the Green Hill homes have property adjoining the  
7       residents in Lakewood, and that vertical line shows that  
8       property connection. Green Hill residents get their  
9       water directly from Hammond Water District, the same  
10      water system where we get our water. In fact, the same  
11      water line that serves us also serves Green Hill, as well  
12      as the other neighborhoods visible in this photo.  
13      According to the water line map, this water line runs in  
14      front of our subdivision and is actually in the yard of  
15      several Lakewood residents. And that's the horizontal  
16      line -- it's very horizontal, but -- let's compare our  
17      situation to Green Hill's. Based on 6,000 gallons of  
18      usage, the average water bill for Green Hill subdivision  
19      residents would be just over \$34 every two months.  
20      Lakewood residents would pay more than \$82 every two  
21      months, which is 142 percent more than Green Hill  
22      residents.

23             Utilities Services has proposed a 49 percent  
24      increase in our basic fees and our water usage fees. If  
25      you allow this proposal to pass, Lakewood residents would

1 pay more than \$123 every two months for 6,000 gallons of  
2 usage. This is 262 percent more than the residents who  
3 live right beside us. All of us in Lakewood subdivision  
4 believe this is unreasonable and unfair. We use the same  
5 water from Hammond, from the same main water line, yet we  
6 pay more because of who owns the pipes in our  
7 neighborhood.

8 All of us in Lakewood subdivision ask that you say  
9 no to Utilities Services' rate increase and we see no  
10 addition to our bill. The rate increase approved two  
11 years ago was unreasonable and now we're being penalized  
12 again. We believe no argument given by Utilities  
13 Services justifies another large rate increase. They  
14 just received 37 percent two years ago. If Duke Power or  
15 Piedmont Natural Gas asked for a 49 percent increase in  
16 their rates, the entire State would be protesting.

17 All utilities companies require maintenance, have  
18 salaries to pay, and must deal with increasing expenses.  
19 Yet in Anderson County other water systems have served  
20 their customers these past years without drastic rate  
21 increases. We realize Utilities Services is a private  
22 company with a goal of making a profit, but should this  
23 profit come at such a high price to us who are forced to  
24 use their services with no option to shop elsewhere for  
25 our water?

1           There are many senior adults in Lakewood who are on  
2           fixed incomes and struggle to afford their current water  
3           bill. Several households have a member with a  
4           disability, and this situation is especially hard on  
5           them.

6           I visited your website and your mission statement  
7           says that you have a proactive regulatory process and  
8           will seek to best serve the needs of all the citizens of  
9           the State. We ask that you serve our needs. Our  
10          situation of currently paying 142 percent more for our  
11          water than our neighbors, and potentially paying 262  
12          percent more for our water is grossly unfair. We ask  
13          that you say no to Utilities Services' proposed rate  
14          increase.

15          I now ask all of those who are attending that I was  
16          asked to represent to please stand if they agree with  
17          what I have just said.

18                               [WHEREUPON, approximately 60-70 attendees  
19                               stood.]

20          I also ask that you -- if you would like -- come  
21          forward tonight and make a public statement for the  
22          record to indicate your agreement with me. Thank you for  
23          your time

24               **CHAIRMAN HAMILTON:** Thank you, ma'am. If you would,  
25          just please --

1 [Applause]

2 **CHAIRMAN HAMILTON:** As I mentioned earlier, we have  
3 limited time, and you're taking up the time without some  
4 being able to speak, so we'd appreciate it if you would  
5 keep your applause and the noise level down so we can  
6 continue with the hearing.

7 Do any Commissioners have any questions of the  
8 witness at this time, of Ms. Wilson? Commissioner  
9 Clyburn.

10 **COMMISSIONER CLYBURN:** Ms. Wilson, I appreciate your  
11 presentation. I wanted to ask you about -- you talked  
12 about more so the pricing structure. I wanted to get a  
13 feel for other issues in terms of your day-to-day  
14 interaction and service issues.

15 **WITNESS:** I'm sorry, I don't understand.

16 **COMMISSIONER CLYBURN:** Service issues, quality  
17 issues.

18 **WITNESS:** Oh. We don't have any problem with the  
19 quality of water. I mean, we've had -- our house's water  
20 has been checked for quality purposes and we got a report  
21 back stating the water quality was adequate.

22 We've never seen any maintenance on any of the  
23 individual pipes in our neighborhood. We've never seen  
24 them do any work in the neighborhood. There's been a few  
25 main pipe issues that Hammond I think had to come deal



1 with, at the entrance of the neighborhood. But I don't  
2 have any complaints about the quality, just the price.

3 **COMMISSIONER CLYBURN:** Thank you.

4 **CHAIRMAN HAMILTON:** Any other questions? Ms.  
5 Wilson, I assume you wanted to make your slide a part of  
6 the record in the case.

7 **WITNESS:** Yes.

8 **CHAIRMAN HAMILTON:** Okay. It will be entered into  
9 the record without objection. I think both parties have  
10 copies.

11 [WHEREUPON, Hearing Exhibit No. 4 was  
12 marked and received in evidence.]

13 **CHAIRMAN HAMILTON:** Thank you, very much. Thank you  
14 for appearing before us.

15 [WHEREUPON, the witness stood aside.]

16 **MR. MELCHERS:** Mr. Chairman, we would call Larry  
17 McAlister to the podium.

18 *THEREUPON came,*

19 **L A R R Y W . M c A L I S T E R ,**  
20 *who, having been first duly sworn, testified as follows:*

21 **MS. BOYD:** Would you state your name, address, and  
22 the name of the subdivision where you live.

23 **WITNESS:** My name is Larry W. McAlister. I live at  
24 312 Clearview Drive, Clearview subdivision, in Anderson,  
25 South Carolina. And Mr. Chairman, I would like to

1       relinquish my time to be able to bring my petitions to  
2       Columbia on December 13th.

3               **CHAIRMAN HAMILTON:** All right. So in other words,  
4       you didn't want to testify at this time, and come to --

5               **WITNESS:** No, sir. I think that there's plenty  
6       more here that needs to testify today, because they  
7       cannot make it. I can.

8               **CHAIRMAN HAMILTON:** All right, sir. We'll see you  
9       in Columbia on the 13th, Mr. McAlister.

10                       [WHEREUPON, the witness stood aside.]

11               **MR. MELCHERS:** Mr. Chairman, we would call Brooks  
12       Brown IV to the podium. Just to speed things up, the  
13       next person I'll call will be Richard Gibson, if you want  
14       to be ready when Mr. Brown is through.

15       *THEREUPON came,*

16                       ***B R O O K S   S .   B R O W N   I V ,***  
17       *who, having been first duly sworn, testified as follows:*

18               **MS. BOYD:** Would you please state, for the record,  
19       your name, address, and the name of your subdivision.

20               **WITNESS:** Brooks S. Brown IV. 700 Woodlake Road, in  
21       the Hill and Dale subdivision.

22               We all understand that utility companies are for-  
23       profit. However, we heard Senator Bryant talk about  
24       moving to another pharmacy. We can't move to another  
25       water division. We can't ask to get on Hammond. We're

1       stuck with a guaranteed monopoly.

2               Now, if they're going to bring up an increase, show  
3       us a necessary need for this increase. Are we going to  
4       get water hydrants, which would lower my insurance rates?  
5       That would justify an increase. Are they going to  
6       increase my water pressure? That could justify an  
7       increase. But the only thing I can see is that this  
8       started about the time that the City of Anderson charged  
9       their County customers a double fee, and it seems to me  
10      that the water company is just trying to jump on the  
11      bandwagon, so to speak, and charge their double fee  
12      because they can get away with it. I object to this.  
13      Show me some value for my dollar, but don't just raise my  
14      rates and raise my rates and raise my rates, and not give  
15      me anything extra for my money. Give me the fire  
16      hydrants, give me the increased water pressure, give me  
17      the better customer service and I'll gladly pay an  
18      increase. But certainly, even with the cost of  
19      inflation, with the value of a barrel of oil, with  
20      everything going on this world, you cannot justify a 37  
21      percent increase followed by a 49 percent increase. That  
22      is just total mismanagement, and I ask you folks to  
23      please step forward and help us out in this regard.  
24      Thank you.

25               **CHAIRMAN HAMILTON:** Thank you, Mr. Brown.

1           **COMMISSIONER MITCHELL:** I have a question.

2           **CHAIRMAN HAMILTON:** Okay. Commissioner --

3                               [Applause]

4           **CHAIRMAN HAMILTON:** -- Mitchell? Please.

5           **COMMISSIONER MITCHELL:** Yes, sir. We --

6           Commissioner Clyburn had a question about the providing  
7           of service, and you stated earlier your pressure. Could  
8           you tell us a little bit more about that? You don't have  
9           sufficient pressure at your dwelling?

10           **WITNESS:** We do not, especially at mealtimes or at  
11           bath times or first thing in the morning when everybody's  
12           getting ready for work. My showerhead has the little  
13           adjuster on there, you know, that gives the little pulse  
14           and everything?

15           **COMMISSIONER MITCHELL:** Yes, sir.

16           **WITNESS:** I get a dribble.

17           **COMMISSIONER MITCHELL:** And is that something that  
18           happens every day, or is that something that happens once  
19           a week?

20           **WITNESS:** Most days.

21           **COMMISSIONER MITCHELL:** Every day?

22           **WITNESS:** Most days, yes.

23           **COMMISSIONER MITCHELL:** Right. And it's actually no  
24           fire hydrants around your house at all?

25           **WITNESS:** No fire hydrants at all.

1           **COMMISSIONER MITCHELL:** Okay. Is there any other  
2 problems you have with the water, other than the  
3 pressure?

4           **WITNESS:** No, the water quality is fine. Like the  
5 previous speaker, I've got my little certificate that  
6 comes in where they tested the water and everything is  
7 fine in that regard. I have no complaints with that.

8           **COMMISSIONER MITCHELL:** That's all I have.

9           **CHAIRMAN HAMILTON:** Okay. Any other questions from  
10 Commissioners?

11           **COMMISSIONER HOWARD:** I do.

12           **CHAIRMAN HAMILTON:** Commissioner Howard.

13           **COMMISSIONER HOWARD:** Mr. Brown, you mentioned water  
14 -- customer service, rather. Can you comment on any  
15 customer service problems you might have experienced?

16           **WITNESS:** The one that I had was the explanation of  
17 the district service fee. This fee varies. It can be  
18 \$2, it can be \$10. I called down there to get an  
19 explanation, and nobody could give me an explanation of  
20 even what the fee was or how to calculate it.

21           **CHAIRMAN HAMILTON:** Any other questions?

22                               [No response]

23           **CHAIRMAN HAMILTON:** Thank you, very much, Mr. Brown.

24           **WITNESS:** Yes, sir.

25                               [WHEREUPON, the witness stood aside.]

1           **MR. MELCHERS:** Mr. Richard Gibson? And the next to  
2 be called will be William Cooke.

3           *THEREUPON came,*

4                           **R I C H A R D   G I B S O N ,**  
5           *who, having been first duly sworn, testified as follows:*

6           **MS. BOYD:** Please state, for the record, your name,  
7 address, and the name of your subdivision.

8           **WITNESS:** Richard Gibson, and I live at 1012  
9 Windwood Drive, in the Lakewood subdivision. I would  
10 like to request at this time I relinquish this in order  
11 that I might speak in Columbia.

12           **CHAIRMAN HAMILTON:** Very good, sir.

13           **MR. MELCHERS:** William Cooke? Michael Cunningham  
14 will be next.

15           *THEREUPON came,*

16                           **W I L L I A M   C O O K E ,**  
17           *who, having been first duly sworn, testified as follows:*

18           **MS. BOYD:** Please state, for the record, your name,  
19 address, and the name of your subdivision.

20           **WITNESS:** My name is William Cooke. 119 Greenforest  
21 Drive, Anderson, South Carolina 29625. I'm in Green  
22 Forest subdivision, a resident there for 38 years.

23           Now, I can only agree with everything that has been  
24 said, and the presentation was excellent. That  
25 presentation represents several subdivisions throughout

1 the County. The only difference with Green Forest  
2 subdivision is that we have West Anderson as the water  
3 supplier. Everything else is the same.

4 We've got an antique water system that was bought  
5 out all the way back from Hughes Water -- well drilling  
6 system, back 40-some-odd years ago. There's no fire  
7 hydrants. We have failing pipes. We have meters  
8 failing. I've even helped change them myself out there,  
9 when the guys came out and didn't have time.

10 Now, the problem is that there's no updates other  
11 than a business transaction by buying out an old water  
12 system and then presenting for enormous increases. In  
13 comparison, I have the same thing as Lakewood, the street  
14 I live on is parallel with McAlister drive. My son lives  
15 on that street. We both are supplied by West Anderson  
16 water. His rates are just about half of what ours are,  
17 for the same period.

18 Now, the last notice I have here that they're asking  
19 for an increase of, my calculation, 50 percent for  
20 distribution and for water supply, so my rate right now  
21 is like 4,800 gallons per month on a yearly average;  
22 that's roughly \$44 a month, average. And if their  
23 increases are approved, that same rate will go to \$67.27,  
24 without any improvement on anything.

25 I could see where it would warrant an increase if

1 the system was upgraded, fire hydrants were installed to  
2 help reduce our insurance rates and that, but just a  
3 straight out increase, I don't consider it fair, just  
4 like the other people. Thank you, sir.

5 **CHAIRMAN HAMILTON:** Thank you. Do we have any  
6 questions of Mr. Cooke?

7 [No response]

8 **CHAIRMAN HAMILTON:** Thank you, Mr. Cooke, very much,  
9 for appearing.

10 [WHEREUPON, the witness stood aside.]

11 *THEREUPON came,*

12 **M I C H A E L C U N N I N G H A M ,**  
13 *who, having been first duly sworn, testified as follows:*

14 **MS. BOYD:** Please state, for the record, your name,  
15 address, and the name of your subdivision.

16 **WITNESS:** My name is Michael Cunningham, and I'm  
17 officially representing Anderson County, our local  
18 government, so I won't give you a home address or a  
19 subdivision.

20 At the October 2nd meeting of the Anderson County  
21 Council, the folks of Lakewood subdivision came and made  
22 a presentation to our Anderson County Council. After  
23 that presentation, Anderson County Council felt compelled  
24 to vote on and to pass a resolution in support of the  
25 folks of Lakewood subdivision.



1           Mr. Chairman, with your permission, I would like to  
2           read that resolution into the record, in order for the  
3           Commission to consider.

4           **CHAIRMAN HAMILTON:** Thank you, very much. What  
5           position are you with the County Council?

6           **WITNESS:** Sir, I'm the deputy county administrator  
7           for Anderson County.

8           **CHAIRMAN HAMILTON:** Thank you, sir.

9           **WITNESS:** This is Resolution R2007-061, a resolution  
10          supporting the residents of Lakewood subdivision in their  
11          efforts to oppose excessive rate increases for water  
12          service and other matters related thereto.

13          "Whereas, the Anderson County Council (the County  
14          Council) is elected by and representative of the citizens  
15          of Anderson County (the County), and is therefore deeply  
16          involved in and affected by all the events in the lives  
17          of its citizens; and

18          "Whereas, since approximately 2002, the water system  
19          in Lakewood subdivision in Anderson County has been owned  
20          and operated by Utilities Services of South Carolina,  
21          Incorporated, a private entity that, among other things,  
22          provides water service to the residents of Lakewood; and

23          "Whereas, in order for USSC to increase the rate it  
24          charges for services, USSC must submit an application for  
25          such increases to and be approved by the South Carolina

1 Public Service Commission; and

2 "Whereas, the residents of Lakewood have  
3 articulately expressed their concern regarding a recent  
4 application made by USSC proposing a rate increase for  
5 water service in Lakewood; and

6 "Whereas, based on information provided by Lakewood  
7 residents to Anderson County Council on October 2, 2007,  
8 it appears that from 2005 to 2006 the rate for water in  
9 Lakewood increased approximately 33 percent, and the  
10 recent proposal made to the South Carolina Public Service  
11 Commission is for another 49 percent increase; and

12 "Whereas, based on the same information, a  
13 neighboring subdivision whose water comes from the same  
14 source company, Hammond Water District, and whose water  
15 comes from the same water line as Lakewood already pays  
16 considerably less on average than the residents of  
17 Lakewood, and if the proposed rate increases are allowed,  
18 the residents of Lakewood would pay approximately 141  
19 percent more per gallon of water than those residents  
20 living in the neighboring subdivisions; and

21 "Whereas, the County is fully supportive of County  
22 businesses and has no desire to deny a reasonable profit  
23 and return on investment to anyone, but believes the  
24 proposed rate increases must be thoroughly examined to  
25 prevent excessive abuses; and

1           "Whereas, the County recognizes that the evidence  
2           presented to County Council during its regular meeting on  
3           October 2, 2007, represents only one side of the story,  
4           but certainly appears to County Council to show that the  
5           proposed rate increase for the water is excessive and  
6           unreasonable; and

7           "Whereas, when citizens of Anderson County are  
8           forced by certain circumstances beyond their control to  
9           either accept what appear to be unreasonable decisions of  
10          private companies or else risk being deprived of  
11          essential public services, Anderson County Council  
12          desires to do everything in its power to support its  
13          citizens in their opposition to any such abuses, if  
14          supported by fact; and

15          "Whereas, in light of the apparent trend for USSC to  
16          periodically increase the rate for water and the  
17          significant difference between the per gallon rates for  
18          residents in Lakewood as opposed to the per gallon rates  
19          paid by residents in neighboring subdivisions for  
20          essentially the same water, notwithstanding USSC's right  
21          to a reasonable return on its investment and reasonable  
22          profit, Anderson County Council desires to express its  
23          support to the residents of Lakewood in their efforts to  
24          get a full and fair determination of a fair and equitable  
25          rate for their water, and to oppose any excessive and

1 unreasonable rate increases for water services in  
2 Lakewood, and desires to advocate on behalf of the  
3 residents of Lakewood by all appropriate means,  
4 including, without limitation, appearing at any South  
5 Carolina Public Service Commission hearings on behalf of  
6 Lakewood regarding this matter:

7 "Now, therefore, be it resolved by Anderson County  
8 Council in meeting duly assembled that:

9 "Anderson County, acting by and through its County  
10 Council, hereby pledges its support for the residents of  
11 Lakewood subdivision in their opposition to any excessive  
12 and unreasonable rate increases for water services in  
13 Lakewood subdivision.

14 "The Anderson County Administrator and the Anderson  
15 County Staff are hereby authorized and directed to do any  
16 and all things necessary and appropriate in connection  
17 with this resolution, including, without limitation,  
18 appearing at any South Carolina Public Service Commission  
19 hearings on behalf of Lakewood regarding this matter and  
20 forwarding a copy of the resolution to the Anderson  
21 County legislative delegation and, if appropriate, to the  
22 South Carolina Public Service Commission.

23 "This resolution shall take effect and be in force  
24 immediately upon enactment."

25 "Resolved in meeting duly assembled this 2nd day of

1       October, 2007."

2               And this is signed by the chairman of our County  
3       Council, Chairman Robert L. Waldrep, and by our County  
4       Administrator. This was passed by unanimous vote of the  
5       Anderson County Council.

6               **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
7       Cunningham. Ms. Boyd, would you accept the resolution,  
8       please?

9               **WITNESS:** I have several copies [indicating].

10              **MS. BOYD:** [Indicating.]

11              **WITNESS:** Thank you, very much.

12              **CHAIRMAN HAMILTON:** Thank you, very much, sir.

13                               [WHEREUPON, Hearing Exhibit No. 5 was  
14                               marked and received in evidence.]

15              **CHAIRMAN HAMILTON:** Do we have any questions of Mr.  
16       Cunningham?

17                               [No response]

18              **CHAIRMAN HAMILTON:** Thank you, sir, for appearing.

19                               [WHEREUPON, the witness stood aside.]

20              **MR. MELCHERS:** Mr. Chairman, we call Mary McAbee.

21       *THEREUPON came,*

22                               **M A R Y   M c A B E E ,**

23       *who, having been first duly sworn, testified as follows:*

24              **MS. BOYD:** Please state, for the record, your name,  
25       address, and the name of your subdivision.

1           **WITNESS:** Yes, my name is Mary McAbee. I live at  
2           6925 Liberty Highway. We don't have a subdivision. I am  
3           here on behalf of my husband, Bill McAbee, who is the  
4           County Council representative for District 4, and the  
5           subdivision of Lakewood is in his County Council  
6           District. And he unfortunately had an out-of-town  
7           business trip that he had to make and could not be here  
8           tonight, so he asked me to fill in for him.

9           And I just wanted to reiterate his support of the  
10          Lakewood subdivision residents and his adamant support of  
11          the resolution that was passed. He feels very strongly  
12          that these residents need to be protected. They need to  
13          have a fair price on what they pay for water. It seems  
14          unreasonable that one small section of his district has  
15          to pay exorbitant rates for water, when the rest of his  
16          district seems to be paying much lesser rates.

17          And so I would urge you to help protect these  
18          residents and not pass this rate increase, and help us  
19          keep our water rates reasonable in Anderson County.  
20          Thank you.

21          **CHAIRMAN HAMILTON:** Thank you, Ms. McAbee. I'd  
22          advise your husband to keep you as campaign manager.

23                               [Laughter]

24          **WITNESS:** Thank you, very much. I'll tell him that.

25          **CHAIRMAN HAMILTON:** I'm sure you will. Thank you,

1       ma'am, for appearing.

2               **MR. MELCHERS:** We would next call Scott Johnson.

3       The next witness after that will be James Bredenkamp.

4       *THEREUPON came,*

5                       *S C O T T   J O H N S O N ,*

6       *who, having been first duly sworn, testified as follows:*

7               **MS. BOYD:** Please state, for the record, your name,  
8       address, and the name of your subdivision.

9               **WITNESS:** My name is Scott Johnson. I live at 509  
10       Old Shoals Drive, in Anderson, South Carolina, in the  
11       Hidden Lake subdivision.

12               As a resident of the community in Hidden Lake  
13       subdivision serviced by USSC, I would like to ask that  
14       the rate adjustment request not only be denied, but that  
15       their current rates be investigated also. As a customer  
16       and father of four, we are very concerned about another  
17       rate hike proposed by USSC in the past two years for our  
18       water supply.

19               As a resident of Hidden Lakes, our water is supplied  
20       by West Anderson Water Company and is distributed by USSC  
21       through existing piping that was in place when we were on  
22       a community well. The use of the well was discontinued,  
23       much like Lakewood and other subdivisions, and a bulk  
24       flow meter replaced there by West Anderson Water Company  
25       at the site where the old well was.

1           Since that time, our water bills have continued to  
2           rise in cost. As customers of USSC, we pay the actual  
3           water supply charge, which is passed along from West  
4           Anderson Water Company at a set rate per thousand  
5           gallons, which at this time, according to West Anderson  
6           Water Company, is \$3.75 per thousand gallons.  
7           Additionally, we pay a water distribution charge that  
8           goes directly to USSC to handle the distribution. This  
9           comes in the form of two charges, a basic facilities  
10          charge and a water distribution or commodity charge, as  
11          they call it. The new rate adjustment request is roughly  
12          a 50 percent increase on both of these charges. This is  
13          a very substantial increase on charges which already  
14          exceed, by far, the water utility charges of other local  
15          suppliers.

16               Webster's Dictionary defines a monopoly as exclusive  
17          possession or control, or a commodity controlled by one  
18          party. I understand that a public utility can be  
19          considered a natural monopoly and doesn't necessarily  
20          fall under that situation, but I also see that, as  
21          customers, we really have no other choice but to purchase  
22          the water that is supplied to us.

23               So we ask that you intervene on this issue and try  
24          to help us with this. According to the notice that was  
25          mailed to customers when USSC was seeking the latest rate



1       increase, it was to provide adequate service, comply with  
2       standards, earn a reasonable rate on investment, and  
3       attract capital for future improvements, as stated in the  
4       letter. If the current rates that we pay now do not  
5       ensure the success of these principles, how will a rate  
6       increase ensure that this will change?

7               We ask the Public Service Commission and Office of  
8       Regulatory Staff to please consider all the information  
9       in this case when rendering a decision. I see that what  
10      is being done by USSC may be legal, but is it right? As  
11      consumers of an essential public utility, such as water,  
12      we have no other source of obtaining it, so we need the  
13      help of the Public Service Commission to intervene. It  
14      seems that we're at the mercy of one company to dictate  
15      what we pay and how we receive our service, with no other  
16      options available.

17             If we lived one block over, we would have the same  
18      water company, West Anderson supplied but a different  
19      service provider with the same water and a much cheaper  
20      rate.

21             As far as the stuff you was asking about earlier, I  
22      just happen to -- about the customer service and stuff,  
23      as far as the quality goes, in my subdivision in  
24      particular, which is Hidden Lake subdivision, a letter  
25      dated October 6, 2007, we received a public notification

1 from Utilities Services of South Carolina saying that  
2 they had failed to collect the routine bacteriological  
3 samples during the month of November in 2006. It was a  
4 routine check. They sent it out at a later date and said  
5 everything was okay, but that kind of makes me wonder  
6 right there, because I've got four girls, I've got four  
7 children, and if they're not even checking the water and  
8 then -- you know, this is a letter from their company  
9 saying that they neglected to check that.

10 We are repeatedly plagued in my neighborhood with  
11 varying pressures, including extremely low pressures at  
12 certain times during the day. I've called repeatedly  
13 about this. It should be on record with them. By the  
14 time they send somebody out, it's lunchtime; everybody's  
15 gone to work. I get a note hanging on the door that  
16 says, "Pressure looks good." Of course. Everybody's  
17 gone to work. You take a shower at 6 o'clock in the  
18 morning, even if you're almost as baldheaded as I am,  
19 it's hard to wash the shampoo out. It's extremely,  
20 extremely low early in the mornings and -- somebody said  
21 earlier -- around mealtimes, 5 or 6 o'clock, something  
22 like the.

23 Fluctuation in the water supply charges has been a  
24 major concern of ours. Supposedly, according to the best  
25 information I could get from USSC's customer

1 representative, the water supply charge is the actual  
2 cost of water passed along to us, charged by West  
3 Anderson Water Company, which is \$3.75 per thousand  
4 gallons, at this time, is what they charge their normal  
5 customers. Ours, as far as this year, they have  
6 fluctuated -- if you do it by calculating your monthly  
7 bill -- from as cheap as \$2.47 per thousand gallons to as  
8 much as \$5.22 per thousand gallons. That's a big range  
9 from \$3.75.

10 And basically, I have asked before to see what the  
11 meter reading was at the bulk flow meter, versus what all  
12 of the cumulative -- each private meter added up to.  
13 I've never seen that information. I know we've had  
14 several bad water leaks, once a broken main, and it took  
15 them awhile to find it, because it was in a low-lying  
16 area, and all the water that they had that month --  
17 actually, my water bill that next month was \$112. So  
18 it's nothing for my -- with four kids, it's nothing for  
19 my water bill to be \$90 to \$100.

20 So one more quick thing. This past month, my water  
21 bill was \$94.50, at the current rates, at 10.7 units, or  
22 10,700 gallons. When you're washing four kids' loads of  
23 clothes every day, it takes a lot of water. The same  
24 deal, with the new rate increase, would be \$113.42. So  
25 we just ask that you all help us out on this in any way

1       that you can. We just feel like we're being treated  
2       unfairly, because if I lived one street over on Graham  
3       Drive, I would be on West Anderson water and it would be  
4       -- that \$94 bill would have been \$40.12 at West Anderson.  
5       Thank you for your time.

6               **CHAIRMAN HAMILTON:** Commissioners?

7               **COMMISSIONER MITCHELL:** I've got one quick one.

8               **CHAIRMAN HAMILTON:** Commissioner Mitchell?

9               **COMMISSIONER MITCHELL:** Yes, sir. Mr. Johnson, you  
10       mention about the pressure on your line there?

11              **WITNESS:** Yes.

12              **COMMISSIONER MITCHELL:** How long has that been an  
13       issue with you? Has that been --

14              **WITNESS:** Pretty much ever since we moved out there.  
15       Even when we had well water.

16              **COMMISSIONER MITCHELL:** And how long has that been,  
17       you've been there?

18              **WITNESS:** I've been living there since 1999, so  
19       it's --

20              **COMMISSIONER MITCHELL:** And you've had --

21              **WITNESS:** -- been an issue.

22              **COMMISSIONER MITCHELL:** Okay. Thank you, sir.  
23       That's all I have.

24              **CHAIRMAN HAMILTON:** Anybody else? Commissioner  
25       Fleming?

1           **COMMISSIONER FLEMING:** Could you clarify -- Hammond  
2 Water sold part of their company to Lakewood, I believe.  
3 Did West Anderson sell this to Utilities?

4           **WITNESS:** No. They only provide the water. The  
5 well is actually in my neighborhood, one street behind my  
6 house, that we were serviced --

7           **COMMISSIONER FLEMING:** Oh, so it's by well.

8           **WITNESS:** And West Anderson water main comes down  
9 that road. All they did was cut the line, put a bulk  
10 flow meter in, cut the well off, and hook it up to our  
11 existing water lines.

12           **COMMISSIONER FLEMING:** So Utilities -- the utility  
13 company did that?

14           **WITNESS:** Yes, ma'am, USSC.

15           **COMMISSIONER FLEMING:** Okay, thank you.

16           **CHAIRMAN HAMILTON:** Any other questions?

17                           [No response]

18           **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
19 Johnson.

20           **WITNESS:** Thank you.

21                           [WHEREUPON, the witness stood aside.]

22           **MR. MELCHERS:** All right, sir, I'm not going to try  
23 it again; I'm going to let you tell me what it is. After  
24 him will be David Loudin.

25           **MR. BREDENKAMP:** I'm James Bredenkamp. Bredenkamp,

1 not Bree-.

2 MR. MELCHERS: Okay.

3 *THEREUPON came,*

4 *J A M E S B R E D E N K A M P ,*

5 *who, having been first duly sworn, testified as follows:*

6 MS. BOYD: Please state your name, address, and your  
7 subdivision.

8 WITNESS: I just did. I'll do it again. My name  
9 is James Bredenkamp. 304 Arcadia Drive, Anderson.  
10 That's in the Town Creek subdivision.

11 And I would like to say that we support Mrs.  
12 Wilson's presentation for our subdivision, just as well.  
13 It was a beautiful presentation.

14 The bulk of my career was in a regulated industry,  
15 and I understand return on investment and whatever. When  
16 Tom Pickens first bought these water systems, Chet Kapp  
17 and I met with him and he brought up the fact that all  
18 these wells were expensive to operate and maintain. They  
19 immediately filed for an increase right after they  
20 acquired the systems, and that was one of the reasons he  
21 gave was these wells, and the fact that the water pipes  
22 themselves weren't in great shape. But anyhow, they were  
23 going to have to fix all these, and that's why he needed  
24 the money.

25 Those wells are gone. There has been no major

1 maintenance. I mean, we're still there. I have no  
2 problems with water pressure or water quality in Town  
3 Creek Acres. It's good there. My objection is to the  
4 price. It seems that the company, each year, has -- or,  
5 has the company to come out on a two-year basis to  
6 request a 50 percent increase. It's like wishing for the  
7 bread or wishing for the grocery store; they go ahead and  
8 wish for the grocery store and accept the bread, and  
9 that's just where they're going.

10 As far as the fire plugs, if they can figure out how  
11 to put a meter on it, we'll probably get them. But thank  
12 you, very much.

13 **CHAIRMAN HAMILTON:** Just a second, sir, if you  
14 would. Commissioners, do we have any questions, please?

15 [Applause]

16 **CHAIRMAN HAMILTON:** Excuse me.

17 **WITNESS:** Did you have a question?

18 **CHAIRMAN HAMILTON:** I don't believe so. Thank you,  
19 very much, sir.

20 [WHEREUPON, the witness stood aside.] .

21 **MR. MELCHERS:** After Mr. Loudin will be Lee Leary.

22 *THEREUPON came,*

23 *D A V I D L O U D I N ,*

24 *who, having been first duly sworn, testified as follows:*

25 **MS. BOYD:** Please state your name, address, and the

1 name of your subdivision.

2 WITNESS: My name is David Loudin. I live at 323  
3 Olivarri Drive in Dobbins Estates, which is off Old  
4 Williamston Road.

5 I think Ms. Wilson's presentation was great. She  
6 put a lot of effort into that. She said a lot of things  
7 that all of us have to say here, and we're all affected  
8 in the same way. Our well -- our system was a Hughes  
9 system that was purchased by USS. It is now supplied by  
10 Hammond Water. My son lives on Old Williamston Road,  
11 right on the Hammond line, and he gets his water from  
12 Hammond out of the same line that I get my water. It  
13 flows across the street and through a bulk flow meter.  
14 His bill, for a family of four, is less than half of my  
15 bill for a family of two, two old folks.

16 I spent my working live in the private sector. And  
17 in the private sector a company exists or doesn't exist  
18 based on two things. They must provide a product or a  
19 service of quality that the customer wants, and they must  
20 provide it at a price that is competitive. If they don't  
21 fulfill either one of those, they will fail. They  
22 accomplished that through good management, good research,  
23 good development, good planning.

24 It is apparent that none of this is going on with  
25 USS. With water companies all around charging rates less



1       than half of what we are currently paying, and with their  
2       request for a 50 percent increase, you can only relate to  
3       it being either greed or mismanagement. If other  
4       companies are able to manage their water systems  
5       profitability at much less cost -- and they actually have  
6       to pump the water and maintain their lines and actually  
7       provide fire hydrants, none of which we have -- it  
8       doesn't take a rocket scientist to figure out that what  
9       is happening with USS is either greed or mismanagement.  
10      If they can't make money at what they are charging, the  
11      way they're getting their water, there is something badly  
12      wrong with the management of that operation.

13           We don't have the option, like the consumer that is  
14      buying in the private area, to move on to another  
15      company. We are locked into who we have to buy from, and  
16      the only protection we, as consumers, have are you  
17      gentlemen sitting up here. You are the only protection  
18      we have against the greed or the mismanagement of a  
19      corporation.

20           The consumer is not responsible for the management  
21      of the corporation, and the consumer is not responsible  
22      to see to it that a corporation makes a profit. The  
23      corporation is responsible to see to it they make a  
24      profit through proper management and control of their  
25      expenses and their assets. And I would say that right

1 now, with the rates we're paying, we should already have  
2 the fire hydrants and the pressure that other people are  
3 having complaints of. I have no complaint on our water  
4 pressure. I'm lucky to have a Hammond hydrant close  
5 enough to my house I get the benefit of it even though  
6 I'm not paying for the line, at least not directly.

7 I would only ask that you as Commissioners protect  
8 our interests as consumers, and see to it that we are not  
9 again gouged by this Chicago company that calls itself  
10 Utilities Services of South Carolina. That's all I have  
11 to say.

12 **CHAIRMAN HAMILTON:** Thank you. Commissioners, do  
13 you have any questions?

14 [Applause]

15 **CHAIRMAN HAMILTON:** I'm going to have to ask you to  
16 respect the court and respect the time, please. Thank  
17 you, sir.

18 **WITNESS:** Thank you.

19 [WHEREUPON, the witness stood aside.]

20 **MR. MELCHERS:** Lee Leary? Next will be Catherine  
21 Adams.

22 *THEREUPON came,*

23 *L E E L E A R Y ,*

24 *who, having been first duly sworn, testified as follows:*

25 **MS. BOYD:** Please state your name, address, and the

1 name of your subdivision.

2 **WITNESS:** My name is Lee Leary. I live at 104 Acorn  
3 Drive, in Anderson.

4 I would like to say that our subdivision, Oakwood  
5 Estates, agrees with the presentation that Melanie Wilson  
6 gave. We also agree with some of the information given  
7 by others here, especially the young man -- I can't  
8 remember his name -- with the plaid shirt on, a good bit  
9 of his information. I just can't quite understand, the  
10 lines that are in Oakwood Estates were there when this  
11 company came in, so those lines basically are paid for,  
12 they're ours. How we can get an increase, I don't know,  
13 out of that. And then the information that we got from  
14 wanting the increase in rates, it gave about four or five  
15 reasons, and all those were things we should have already  
16 been getting: Service. The only thing I saw that was  
17 sort of out of the norm was they wanted to make money.

18 So I realize that a corporation has to make some  
19 money, but not at 49 percent. I wish I was getting 49  
20 percent on all the money that I don't have. And I just  
21 agree with Melanie completely. Thank you.

22 **CHAIRMAN HAMILTON:** Thank you, sir. Do we have any  
23 questions of Mr. Leary?

24 [No response]

25 **CHAIRMAN HAMILTON:** Thank you, sir, very much.

1           **MR. MELCHERS:** Ms. Adams? Next will be Waverly  
2 Love.

3           **MR. LOVE:** I would like to relinquish mine and speak  
4 in Columbia, if I could.

5           **CHAIRMAN HAMILTON:** Mr. Love?

6           **MR. MELCHERS:** Thank you, sir.

7 *THEREUPON came,*

8                   **C A T H E R I N E    A D A M S ,**  
9 *who, having been first duly sworn, testified as follows:*

10          **MS. BOYD:** Please state, for the record, your name,  
11 address, and subdivision.

12          **WITNESS:** Catherine Adams. 401 Lakewood Drive,  
13 Anderson. Lakewood subdivision.

14               The current bill that I have from Upstate Utilities  
15 was \$88.35. The month before was \$93.46, giving a total  
16 of \$181.81 for two old folks that are still working, and  
17 we leave the house at 6:30 and back home at 5:30. My  
18 husband comes home for lunch and has one cup of tea.  
19 That's basically his water usage at lunch. The children  
20 are not at home, so we work -- I work about six days a  
21 week, my husband three and a half. So there's not much  
22 going on at home. Washing clothes, et cetera.

23               We both own and operate a dental practice over on  
24 Reed Road, which is Hammond Water supplied. And the bill  
25 for the last two months for the office -- and in a dental

1 office, water runs continuously, with two hygiene  
2 operatories going all the time, the dental operatory  
3 going all the time, there's water going through all the  
4 time. Talking about the leaking, it's continuous. And  
5 of course, the number of patients we have per week is  
6 large in number, 50 to 60, and we have the toilets  
7 flushing, and drinking water, and so there is water flow  
8 -- a good amount of water flow. Comparing apples to  
9 apples, the bill for the last two months for the office  
10 by Hammond was \$163.94, with that large number of people  
11 using everything.

12 So our water bill at home, with no one at home, for  
13 the same two-month period, was more than the dental  
14 office. So, it's just -- something ain't right.

15 So we agree with all of our other neighbors here  
16 that something needs to be done and the one neighbor that  
17 said something needed to be done about the previous  
18 increase, I agree with that, as well, that that needs to  
19 be adjusted, as well. I did secure my record from  
20 Upstate from '02 to '07. And from '02 -- 2002 to 2005,  
21 we averaged about \$28 a month for that period of time,  
22 and after that it's just out of control.

23 I don't plant flowers and water things in the yard.  
24 I do have the yard work, but I don't water the stuff.  
25 So, it's just for the record. Any questions?

1           **COMMISSIONER MITCHELL:** Yes, ma'am, I have one.

2           **CHAIRMAN HAMILTON:** Commissioner Mitchell?

3           **COMMISSIONER MITCHELL:** Could you tell me again who  
4 supplies the water for your dental practice?

5           **WITNESS:** Hammond.

6           **COMMISSIONER MITCHELL:** Hammond?

7           **WITNESS:** Yes, sir.

8           **COMMISSIONER MITCHELL:** Thank you, ma'am.

9           **WITNESS:** And we have had a problem with water  
10 quality with Upstate. Sometimes I'll run a tub bath and  
11 it smells like I'm going to chloroform myself with the  
12 chlorine. Currently, it's not like that but it has been.

13           **COMMISSIONER MITCHELL:** Yes, ma'am. You stated  
14 Upstate. Did you mean Utilities --

15           **WITNESS:** Hammond for the dental practice.

16           **COMMISSIONER MITCHELL:** But --

17           **WITNESS:** Upstate is for Lakewood subdivision.

18           **COMMISSIONER MITCHELL:** Utilities --

19           **WITNESS:** I mean -- yes, yes, yes.

20           **COMMISSIONER MITCHELL:** I just wanted to make that  
21 clear for the record.

22           **WITNESS:** Yes, sir. And Hammond for the office.

23           **COMMISSIONER MITCHELL:** Thank you.

24           **CHAIRMAN HAMILTON:** Any other questions?

25           **COMMISSIONER CLYBURN:** Ms. Adams, how long have you

1 lived in Lakewood?

2 **WITNESS:** Thirty-nine years.

3 **COMMISSIONER CLYBURN:** Thank you.

4 **WITNESS:** Yes, ma'am.

5 **CHAIRMAN HAMILTON:** Thank you, ma'am, very much, Ms.  
6 Adams.

7 [WHEREUPON, the witness stood aside.]

8 **MR. MELCHERS:** Mike Walsh? And after Mr. Walsh will  
9 be Jill Dunn.

10 **MS. DUNN:** Sir, I've elected not to speak. My  
11 questions have been answered.

12 **MR. MELCHERS:** Okay. Thank you. You're Jill Dunn.

13 **MS. DUNN:** I'm Jill Dunn, yes.

14 **MR. MELCHERS:** Okay. Thank you. Darrel Rogers will  
15 be after Mr. Walsh.

16 *THEREUPON came,*

17 *M I K E W A L S H ,*

18 *who, having been first duly sworn, testified as follows:*

19 **MS. BOYD:** Please state, for the record, your name,  
20 address, and subdivision.

21 **WITNESS:** My name is Mike Walsh. I live in the  
22 Lakewood subdivision, at 1009 Windwood Drive.

23 I'll be brief. As a resident of the Lakewood  
24 subdivision, I protest the proposed rate and water rate  
25 increase by Utilities Services. As was made clear by Ms.

1 Wilson's presentation, our rates are already  
2 significantly higher than those charged other  
3 neighborhoods in proximity to ours. An increase this  
4 size, which amounts to nearly 50 percent, is unwarranted,  
5 does not appear to improve or enhance the service we  
6 receive. I respectfully ask the Commission to deny this  
7 rate increase, and I appreciate your time. Thank you.  
8 And I've been there 27 years, so I don't know if that  
9 makes me a neophyte in that neighborhood, or not.

10 **CHAIRMAN HAMILTON:** Do we have any questions?

11 [No response]

12 **CHAIRMAN HAMILTON:** Thank you, very much, sir.

13 **WITNESS:** Thank you.

14 [WHEREUPON, the witness stood aside.]

15 **MR. MELCHERS:** Darrel Rogers. Jeremy Crowe would be  
16 next.

17 *THEREUPON came,*

18 **D A R R E L R O G E R S ,**  
19 *who, having been first duly sworn, testified as follows:*

20 **MS. BOYD:** Please state, for the record, your name,  
21 address, and subdivision.

22 **WITNESS:** Darrel Rogers, 2228 Surfside Drive,  
23 Anderson. It is not a subdivision. It is a dead-end  
24 street, 15 houses. And in the last ten years, we have  
25 had four major water line breaks.



1           Every one of them took a week for USSC to respond  
2           to. Water running down the road. Fortunately, three of  
3           those breaks were downstream from me. The one that was  
4           upstream from me, they never said a word about the water  
5           quality. And the next thing you know -- I have a whole-  
6           house water filter; it was plugged. And nobody came to  
7           my house and said, "You're going to have water problems,  
8           dirty water. Boil your water," anything like that.

9           So I agree with Ms. Wilson on her rates. That's  
10          exactly what I wanted to talk about, and I think the  
11          Commissioners need to recognize what this company is  
12          doing. Thank you.

13          **CHAIRMAN HAMILTON:** Okay. Just a second, sir. Any  
14          questions? Commissioner Mitchell?

15          **COMMISSIONER MITCHELL:** Yes, sir. You said you had  
16          four breaks?

17          **WITNESS:** Yes.

18          **COMMISSIONER MITCHELL:** Was that -- what period of  
19          time was that?

20          **WITNESS:** About ten years.

21          **COMMISSIONER MITCHELL:** Over ten years, you've had  
22          -- and your testimony was it took one week to get each  
23          one fixed?

24          **WITNESS:** Yes.

25          **COMMISSIONER MITCHELL:** Before service --

1           **WITNESS:** Somebody showed up with a backhoe to dig  
2 up the road. And one of the patches, I still have to  
3 drive around, because if you hit it hard you're going to  
4 ruin your suspension on your car.

5           **COMMISSIONER MITCHELL:** But I want to clarify one  
6 more time.

7           **WITNESS:** Yeah.

8           **COMMISSIONER MITCHELL:** You are stating that it took  
9 one week for them to begin service --

10          **WITNESS:** Yes.

11          **COMMISSIONER MITCHELL:** -- or to get the service  
12 fixed?

13          **WITNESS:** Both. To get the service fixed. It took  
14 days for them to get out there, and it was a week before  
15 they had the road closed up and gone.

16          **CHAIRMAN HAMILTON:** Mr. Hoefer?

17          **MR. HOEFER:** Yes, sir. Could you tell me again your  
18 address?

19          **WITNESS:** 2228 Surfside Drive.

20          **MR. HOEFER:** And that's not in a subdivision?

21          **WITNESS:** That's not a subdivision.

22          **MR. HOEFER:** And you indicated, I believe, that  
23 there were main breaks in the last ten years?

24          **WITNESS:** Yes.

25          **MR. HOEFER:** Can you tell us what years?

1           **WITNESS:** No, I can't remember off the top of my  
2 head.

3           **MR. HOEFER:** Can you tell me, was it one in the last  
4 five years and three in the previous five years?

5           **WITNESS:** It was one, two years ago, that was right  
6 in front of my neighbor's house. There was one about  
7 three years ago that was two houses down from me. The  
8 one that got me with the dirty water was probably six  
9 years ago. So it's been a constant --

10          **MR. HOEFER:** And one before that was --

11          **WITNESS:** I can't --

12          **MR. HOEFER:** -- longer than six years?

13          **WITNESS:** Yeah, probably.

14          **MR. HOEFER:** Probably? Thank you, very much.

15          **WITNESS:** Okay.

16          **CHAIRMAN HAMILTON:** Any other questions?

17          **COMMISSIONER HOWARD:** Mr. Chairman?

18          **CHAIRMAN HAMILTON:** Thank you, sir. Commissioner  
19 Howard.

20          **COMMISSIONER HOWARD:** Mr. Rogers --

21          **WITNESS:** Yes.

22          **COMMISSIONER HOWARD:** I'm sorry. Did I understand  
23 you to say that either one of those leaks, you had no  
24 boiled-water advisory whatsoever?

25          **WITNESS:** I'm sorry?

1           **COMMISSIONER HOWARD:** You had no boiled-water  
2 advisory?

3           **WITNESS:** No.

4           **COMMISSIONER HOWARD:** No boiling-water advisory?

5           **WITNESS:** Never.

6           **COMMISSIONER HOWARD:** Thank you.

7           **CHAIRMAN HAMILTON:** Thank you, sir, Mr. Rogers.

8                           [WHEREUPON, the witness stood aside.]

9           **MR. MELCHERS:** Jeremy Crowe? Next would be Ginger  
10 Kirby.

11           *THEREUPON came,*

12                           **J E R E M Y   K .   C R O W E ,**  
13 *who, having been first duly sworn, testified as follows:*

14           **MS. BOYD:** Please state, for the record, your name,  
15 address, and subdivision.

16           **WITNESS:** My name is Jeremy Crowe. I live at 108  
17 Shoalview Drive; that's in Anderson. That is Hidden Lake  
18 subdivision.

19           I'd like to state that I do wholly support the  
20 testimony of my fellow neighbor, Scott Johnson, and would  
21 like to iterate that I also do think that, with the given  
22 increase that has already been in place, that if we were  
23 going to see any changes from the increase it would have  
24 happened. And most of these ladies and gentlemen have  
25 presented their case, which is the same as ours. We do

1 feel that this is an unjust charge and an unjust increase  
2 request. Thank you.

3 **CHAIRMAN HAMILTON:** Thank you. Do we have any  
4 questions of the witness?

5 [No response]

6 **CHAIRMAN HAMILTON:** Thank you, very much, for  
7 appearing, sir.

8 [WHEREUPON, the witness stood aside.]

9 **MR. MELCHERS:** Ginger Kirby? And after that will be  
10 Sheryl Thompson.

11 *THEREUPON came,*

12 **G I N G E R K I R B Y ,**  
13 *who, having been first duly sworn, testified as follows:*

14 **MS. BOYD:** Please state, for the record, your name,  
15 address, and subdivision.

16 **WITNESS:** My name is Ginger Kirby. I live at 204  
17 Driftwood Drive in Anderson, South Carolina, in the  
18 Lakewood subdivision. I just want to go on the record  
19 that I do oppose this rate increase and I support all the  
20 things that Melanie Wilson said earlier, and many of the  
21 things that I have heard from other people testifying  
22 this evening.

23 **CHAIRMAN HAMILTON:** Yes, ma'am. Any questions of  
24 the witness?

25 **COMMISSIONER CLYBURN:** Ms. --

1           **CHAIRMAN HAMILTON:** Thank you.

2           **COMMISSIONER CLYBURN:** -- Kirby, how long have you  
3 lived in Lakewood?

4           **WITNESS:** We moved there in 1978.

5           **COMMISSIONER CLYBURN:** Thank you.

6           **CHAIRMAN HAMILTON:** Any other questions?

7                               [No response]

8           **CHAIRMAN HAMILTON:** Thank you, very much, for  
9 testifying, Ms. Kirby.

10                           [WHEREUPON, the witness stood aside.]

11           **MR. MELCHERS:** Sheryl Thompson?

12           **MS. THOMPSON:** My husband is going to testify for  
13 me.

14           **MR. MELCHERS:** I'm sorry?

15           **MS. THOMPSON:** My husband will testify.

16           **MR. MELCHERS:** Okay.

17           *THEREUPON came,*

18                           **A N T H O N Y   T H O M P S O N ,**

19           *who, having been first duly sworn, testified as follows:*

20           **MS. BOYD:** Please state, for the record, your name,  
21 address, and subdivision.

22           **WITNESS:** My name is Anthony Thompson.   221  
23 Hazelwood Avenue, Anderson, South Carolina.

24           I strictly oppose the increase of water because it  
25 doesn't make any sense, you know? For a family of four,

1       our water bill comes out to be like \$80-something a  
2       month, when two streets over the water is like \$30-  
3       something a month. You know, that isn't right.

4             You know, instead of an increase, it should be a  
5       decrease. We should be getting some money back. You  
6       know, I strictly oppose this. And you all need to really  
7       look into this. At times I have turned on to get a drink  
8       of water and I taste chlorine. I tell my wife, I say,  
9       "Let the water run, because you can taste the chlorine in  
10      it." And on Hazelwood Avenue, there's not a fire hydrant  
11      or anything. I oppose the increase.

12            **CHAIRMAN HAMILTON:** Thank you, sir. Do we have any  
13      questions of the witness?

14            **COMMISSIONER CLYBURN:** And just to --

15            **CHAIRMAN HAMILTON:** Commissioner --

16            **COMMISSIONER CLYBURN:** I don't know all of the --  
17      I'm sorry -- all of the streets. I wanted to --

18            **WITNESS:** Hazelwood Avenue.

19            **COMMISSIONER CLYBURN:** What's the name of the  
20      subdivision?

21            **WITNESS:** It's not a subdivision.

22            **COMMISSIONER CLYBURN:** Okay. Okay, I just wanted to  
23      make sure. Okay.

24            **VOICE:** It's Belle Meade subdivision.

25            **MS. REIBOLD:** That was also our question.

1           **VOICE:** It's Belle Meade. I live over there, too.

2           **CHAIRMAN HAMILTON:** Belle Meade subdivision?

3           **VOICE:** Yes, sir.

4           **CHAIRMAN HAMILTON:** Thank you for appearing, sir.

5                           [WHEREUPON, the witness stood aside.]

6           **MR. MELCHERS:** Mike Loftis? And after Mr. Loftis  
7 will be Johnny Fuller.

8           *THEREUPON came,*

9                           **M I K E   L O F T I S ,**

10           *who, having been first duly sworn, testified as follows:*

11           **MS. BOYD:** Please state, for the record, your name,  
12 address, and subdivision.

13           **WITNESS:** My name is Mike Loftis. I live at 602  
14 Walnut Way, Anderson, South Carolina. That's in the  
15 Bridgewater subdivision.

16           And I, too, agree with most everything that has been  
17 said tonight. We do, in our subdivision, oppose this  
18 rate increase. What puzzles us is, two years ago, this  
19 Commission give a rate increase to this company. We've  
20 seen no improvements in our -- in our infrastructure  
21 whatsoever. We don't have fire hydrants. We've tried to  
22 get fire hydrants. They won't put them in because our  
23 lines are too small.

24           We still have concerns from people in the community,  
25 concerning low water pressure, smelly water, chlorine



1 smell, and water staining their toilets. And we just  
2 come to you today and ask you to reject this increase.

3 **CHAIRMAN HAMILTON:** Do we have any questions of Mr.  
4 Loftis?

5 **COMMISSIONER MITCHELL:** I just -- I have one, Mr.  
6 Chairman.

7 **CHAIRMAN HAMILTON:** Commissioner Mitchell?

8 **COMMISSIONER MITCHELL:** Yes, sir. You,  
9 individually, experience low water pressure?

10 **WITNESS:** Yes, sir.

11 **COMMISSIONER MITCHELL:** And your testimony is that  
12 you also experience quality of the water, in your place?

13 **WITNESS:** Yes, sir.

14 **COMMISSIONER MITCHELL:** Okay. That's all. Thank  
15 you.

16 **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
17 Loftis.

18 [WHEREUPON, the witness stood aside.]

19 **MR. MELCHERS:** Johnny Fuller? And after Mr. Fuller  
20 is Louise Chasteen.

21 *THEREUPON came,*

22 **J O H N N Y L . F U L L E R ,**

23 *who, having been first duly sworn, testified as follows:*

24 **MS. BOYD:** Please state, for the record, your name,  
25 address, and subdivision.

1           **WITNESS:** My name is Johnny L. Fuller. I live at  
2           110 Richfield Drive, Anderson, South Carolina, in Hidden  
3           Lake subdivision.

4           I, too, would like to say I agree with everything my  
5           neighbors have said. I would like to say that I wholly  
6           object to this water increase, because I moved in my  
7           subdivision in 2001 of April. At that time, I had a  
8           fairly reasonable water rate until Utilities Services  
9           apparently started buying my water from West Anderson,  
10          which I believe is the only water company that should be  
11          able to charge me a water increase, because that's where  
12          the water is coming from.

13          The only comparable water bill I have, my father-in-  
14          law was on Utilities Services, and that's where he  
15          purchased his water from, and he pays approximately a  
16          third less for a water supply fee, and I pay  
17          approximately a third more for water supply fee. My bill  
18          is \$84-90-100 every month since they've changed over to  
19          West Anderson. I've contacted West Anderson to see if I  
20          could just go to West Anderson. As you know, I can't.  
21          And they say they charge Utilities Services the exact fee  
22          they charge a regular customer. So I'm paying the  
23          regular water fee that West Anderson customers pay, but  
24          what's getting me is the district water supply fee is  
25          more than my water charge, and it's unreal. Like I say,

1 I'd like to say I agree with my neighbors, and I object  
2 this water increase.

3 **CHAIRMAN HAMILTON:** Thank you. Do we have any  
4 questions of the witness? Mr. Hoefer?

5 **MR. HOEFER:** Mr. Fuller, is that your name, sir?

6 **WITNESS:** Yes, sir.

7 **MR. HOEFER:** You said your father-in-law was with  
8 Utilities Services. Can you tell me where he lives?

9 **WITNESS:** He lives in Sandy Springs at 74 Dogwood  
10 Circle.

11 **MR. HOEFER:** And what is his name, sir?

12 **WITNESS:** Ray Willis.

13 **MR. HOEFER:** And what subdivision does he live in?

14 **VOICE:** Calhoun Acres.

15 **MR. HOEFER:** And you said his name was Ray Willis?

16 **WITNESS:** Ray Willis. William Ray Willis.

17 **MR. HOEFER:** Thank you.

18 **WITNESS:** And only bill I could find comparable to  
19 mine, which he used a usage of 7,000 gallons and I've got  
20 9,000 gallons, his bill was \$46 and mine was \$84. His  
21 water distribution charge was \$30, mine was \$35. His  
22 supply fee was \$14 and mine was \$47. I don't understand  
23 why my supply fee should be \$47 when his is \$14; that's  
24 what's getting me, is the supply fee. And like I say,  
25 this \$84 is the cheapest bill I've had in several months.

1 I was happy to get an \$84 water bill.

2 **CHAIRMAN HAMILTON:** Any other questions?

3 [No response]

4 **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
5 Fuller. Appreciate you testifying.

6 [WHEREUPON, the witness stood aside.]

7 **MR. MELCHERS:** Louise Chasteen? After her is Robert  
8 Oppermann.

9 *THEREUPON came,*

10 **L O U I S E C H A S T E E N ,**  
11 *who, having been first duly sworn, testified as follows:*

12 **WITNESS:** I'm Louise Chasteen. Everybody here  
13 should be familiar with me, because I've been to a  
14 hearing with Utilities Services of South Carolina before.

15 I had a whole bunch of paperwork, I threw it away.  
16 I thought this would stop sometime or another, going up  
17 on these rates. But it's ridiculous. It comes every  
18 year or two. And I wasn't prepared to come tonight, but  
19 one of my neighbors spoke to me about having the hearing  
20 here tonight. I thought it was going to be in Columbia  
21 and I knew I couldn't drive down there.

22 I've been living where I live 40 years. And I'm  
23 here to reject any water rates that they're asking for,  
24 because I have spent more on my water bill than just  
25 water. I have had to do so much work. I've put in

1 appliances to use less water. I have -- you can't flush  
2 the commodes like you should. I don't have a dishwasher.

3 I can tell you what I used in water and how much it  
4 is. Like, 2,000 gallons of -- 2,000, a little under,  
5 gallons of water, 3/15/07, \$26.09. That was before any  
6 increase in rates. That's no water at all. And if I had  
7 a dishwasher, I couldn't afford to use it. Half the  
8 time, people cannot be sanitary not flushing their  
9 commodes, trying to save on their water, to pay their  
10 water bills.

11 I am retired, I'm on a small check. I have to watch  
12 my bills like other people here, and I agree on every one  
13 of these people's testimonies tonight. I have been  
14 before the Commissioners before, and you all should know  
15 me by now, because I called you about the last document  
16 number -- in fact, I wrote a letter but you told me it  
17 was too late for the letter. But they got their raise.  
18 On that document number 2005-217, I notified you people  
19 then. I wrote you a letter. I think it was to a Scott.  
20 They say he's no longer with you people.

21 So, I didn't get into this because I didn't think  
22 you were going to be here, but I've been living there a  
23 long time, and my water bill started off \$38 a year.  
24 Norman Boggs built those houses. This is Belle Meade  
25 subdivision. Hazelwood Avenue is on it, and Edwards

1 Drive. And the people that's on the other water on the  
2 other streets from us, my water bill used to be \$17; now  
3 it is \$30, and they're wanting another rate increase.

4 And they should live on some of our salaries and try  
5 to live on it and pay their bills, and try to make an  
6 extra dollar to pay them. I go out in the cold and work  
7 at the jockey lot trying to earn an extra dollar to pay  
8 these people, because I like water, and I have paid more  
9 on plumbing bills than I have on my electric bill. And I  
10 have got water bills that was \$8 cheaper than my light  
11 bill, only \$8.

12 So that is what we're quoting with, and I don't care  
13 how many lawyers they have, or anything, that's not  
14 right. The people in Columbia, I understood their water  
15 bills were higher than people in Anderson, South  
16 Carolina. You know, you can't compare our water with  
17 people's water in Columbia, because they make more money  
18 than people does here in Anderson, South Carolina, as a  
19 general rule.

20 So we need some help, and we look forward to you  
21 people can -- just like everybody else said, we cannot  
22 shop with anyone else, and we have to go to these people.  
23 And I have been here -- this is the third time, with this  
24 company, myself, and I've got a neighbor that did the  
25 same thing. He's been at it about three times. And I

1 appreciate everyone coming tonight, and I like to see the  
2 turnout this year because I just found out about this  
3 yesterday. I thought it was just going to be in  
4 Columbia. But I appreciate you Commissioners and all of  
5 you people coming up here and taking your time. I know  
6 it's hard on you. But it's hard on us to pay these bills  
7 and that's why we're here.

8 And there should've been a lot more people here  
9 because there's 21 subdivisions on this water here, that  
10 needs help. It's not just a few. There is 21. And all  
11 the people here tonight has been telling the truth. This  
12 water quality has never been that good. I used to be on  
13 a well. I brought filters to the hearing before, and  
14 they were corroded. And the only water spigot I drink  
15 out of at my house now, I keep a little water filter on  
16 my kitchen sink. The other water, I can't drink it.

17 And that is my -- I made some little notes, but I  
18 feel like just talking to you people, look to you in the  
19 face, because I like to look at everybody when I talk to  
20 them, in the face, because I'm telling the truth, because  
21 I want to go to heaven one day and I don't want them to  
22 be telling stories at my funeral. God bless. You all  
23 have a blessed day, and thank you, very much.

24 [Applause]

25 **CHAIRMAN HAMILTON:** Okay. Mr. Hoefer?

1           **MR. HOEFER:** Could I ask you your address, please,  
2           ma'am?

3           **WITNESS:** 218 Edwards Drive, Anderson, South  
4           Carolina.

5           **MR. HOEFER:** Thank you.

6           **CHAIRMAN HAMILTON:** Do we have any other questions  
7           of Ms. Chasteen?

8                               [No response]

9           **CHAIRMAN HAMILTON:** We thank you, very much, for  
10          appearing.

11          **WITNESS:** Thank you, and have a blessed day.

12          **CHAIRMAN HAMILTON:** Yes, ma'am.

13          **MR. MELCHERS:** Robert Oppermann? Next will be  
14          Eugene Stucky.

15          *THEREUPON came,*

16                           **R O B E R T   O P P E R M A N N ,**  
17          *who, having been first duly sworn, testified as follows:*

18          **MS. BOYD:** Please state, for the record, your name,  
19          address, and subdivision.

20          **WITNESS:** My name is Robert Oppermann. I live at  
21          302 Clearview Drive, and I believe that is Clearview  
22          subdivision.

23                I'd first like to say thank you to Senator Bryant,  
24          thank you to Representative White, who showed up in  
25          support, and Michael Cunningham representing the County.



1 And I have been thoroughly impressed with the  
2 preparation, the eloquence, and the clarity of my  
3 neighbors. They certainly have covered the points I  
4 wanted to make. I've also been very impressed with the  
5 demeanor. Everybody has come up here and been even-  
6 tempered. And frankly, that's my nature, but I don't  
7 really want to be.

8 I'm a little angry about what's been happening, and  
9 one thing that makes me very angry is when people abuse  
10 power. We are consumers that do not have a choice. We  
11 are at the mercy of this company. And I ask this  
12 Commission to do your duty and protect the consumers. I  
13 believe that is your mission, when something unfair is  
14 happening.

15 I can't believe the audacity of this company, after  
16 we are paying so much more than anyone else around us, to  
17 ask for -- what is it, a 49 percent raise? Are you  
18 kidding me? Does anybody else think we ought to be  
19 talking about a rate reduction instead of a rate  
20 increase?

21 **VOICE:** That's right.

22 [Applause]

23 **CHAIRMAN HAMILTON:** Mr. Oppermann, you're here to  
24 speak to the Commission, sir.

25 **WITNESS:** All right. That's what I needed to say.

1 All my other points have been already made. Thank you  
2 all for doing such a great job of it. Please do your  
3 duty.

4 **CHAIRMAN HAMILTON:** Thank you, sir. Do we have any  
5 questions?

6 **COMMISSIONER CLYBURN:** Mr. Oppermann, did you affirm  
7 what neighborhood you live? Maybe I missed it.

8 **WITNESS:** I live on Clearview Drive, and I believe  
9 it's called Clearview subdivision.

10 **COMMISSIONER CLYBURN:** Okay. And for how long?

11 **WITNESS:** I've been there 22 years.

12 **COMMISSIONER CLYBURN:** Thank you.

13 **CHAIRMAN HAMILTON:** Anyone else?

14 [No response]

15 **CHAIRMAN HAMILTON:** Thank you, very much, for  
16 appearing.

17 [WHEREUPON, the witness stood aside.]

18 **MR. MELCHERS:** Eugene Stucky. And next will be  
19 Peter Kratz.

20 *THEREUPON came,*

21 **E U G E N E S T U C K Y ,**

22 *who, having been first duly sworn, testified as follows:*

23 **WITNESS:** I'm my name is a Eugene Stucky. I live at  
24 209 Altermount Court. I believe -- well, it's probably  
25 not Town Creek, but --

1           **VOICE:** It's Town Creek.

2           **WITNESS:** Town Creek?

3           **VOICE:** Acres.

4           **WITNESS:** Okay.

5           **MR. MELCHERS:** I'm sorry, Tom Creek?

6           **CHAIRMAN HAMILTON:** Town.

7           **MR. MELCHERS:** Town Creek Acres? Okay.

8           **WITNESS:** Town Creek. And we've been there for ten  
9 years, and our water quality is fine. We have no  
10 problems with that. The only problem, we have no fire  
11 hydrants on our street. And my biggest point, when I  
12 receive all the mail from Kevin Bryant, saying that this  
13 company is asking for a 50 percent increase, man, I'm a  
14 retired educator, 30 years, and I have never gotten a 50  
15 percent raise in my salary. Has anyone else here ever  
16 gotten a 50 percent raise in their salary?

17           **CHAIRMAN HAMILTON:** Mr. Stucky?

18           **WITNESS:** To me -- thank you, Mr. Chairman, I  
19 apologize.

20           **CHAIRMAN HAMILTON:** Yes, sir.

21           **WITNESS:** But that's ridiculous to me. Now you  
22 know, I understand -- I don't have any problems with this  
23 utility company, except the fact we do not have any fire  
24 hydrants on our street. And our street is a dead-end  
25 street. Arcadia -- we live down a horseshoe. There's no

1 fire hydrants. We've been there ten years, and that's  
2 the one problem I have. And the second problem, as I  
3 stated before, I've never received a 50 percent rate  
4 increase in my salary as a school teacher, et cetera, et  
5 cetera. Thank you, so much, Mr. Chairman.

6 **CHAIRMAN HAMILTON:** Thank you, Mr. Stucky. Would  
7 you answer any questions, if we have any, sir?  
8 Commissioners, do we have any questions? Commissioner  
9 Clyburn?

10 **COMMISSIONER CLYBURN:** Mr. Chairman, I don't have a  
11 question. But you have a wonderful voice. I just had to  
12 say it, I'm sorry.

13 **WITNESS:** Thank you, so much. I was a music major,  
14 a band director --

15 **COMMISSIONER CLYBURN:** I can tell.

16 **WITNESS:** -- and et cetera, et cetera.

17 **COMMISSIONER CLYBURN:** Thank you.

18 **CHAIRMAN HAMILTON:** Thank you, very much. Thank  
19 you, Mr. Stucky.

20 [WHEREUPON, the witness stood aside.]

21 **MR. MELCHERS:** Mr. Kratz? After Mr. Kratz is Larry  
22 Chatham.

23 *THEREUPON came,*

24 *P E T E R K R A T Z ,*  
25 *who, having been first duly sworn, testified as follows:*

1           **MS. BOYD:** Please state, for the record, your name,  
2 address, and subdivision.

3           **WITNESS:** My name is Peter Kratz. I'm in the  
4 subdivision of Hill and Dale. I live at 804 Yates  
5 Circle.

6           My biggest issue is with the rate increase. I'm  
7 going to bring something to light that apparently nobody  
8 else has had this problem before. It turns out that I  
9 had a water leak, and unfortunately I picked the wrong  
10 subdivision to have a water leak in. Our water bills  
11 have been well over \$100 now for about the last eight  
12 months. In addition to the problems with the water  
13 company itself, this has caused my water -- the district  
14 water supply fee to be well in excess of 100 percent of  
15 my water distribution charge.

16           So I called and spoke to Charlotte with Utilities  
17 Services of South Carolina, and I asked, "How are you  
18 going to charge me over 100 percent of the price of my  
19 water as a distribution fee on top of the DHEC fee and so  
20 forth?" I was given an answer of, "That is a percentage  
21 based on your water usage for your entire community." I  
22 guess, since I had the water leak, that I would absorb  
23 most of that, and I understand that. I kind of respect  
24 it a little bit, but at over 100 percent of my delivery  
25 -- my usage was too much.

1 I still thought that something was wrong with that  
2 being over 100 percent. She said that I would have to  
3 call, if I had any problems, public service regulatory  
4 commission in Columbia and speak with them. So I called  
5 them up and I said, "How am I going to pay 100 percent or  
6 103 percent of my water bill on top of my water bill,  
7 just in the delivery charge?" He said he was going to  
8 check into it, and this was Chad. That was the only name  
9 I was given, and I was told that he was an investigator.  
10 He was going to check into it.

11 Well, he checked into it, said he was going to  
12 contact them. It turns out the company's not actually  
13 based in South Carolina; they're based in Chicago. But  
14 Chicago people were on vacation that week, so he would  
15 have to call me back another week. After waiting two and  
16 a half weeks for a reply from them, the only reply I got  
17 was, "Everything looks in order. Pay your water bill."

18 So after having the water leak, I had a water bill  
19 for the water that was actually used in my household -- I  
20 have myself, I have three children, which I should be at  
21 home with right now. I'm not going to be able to make it  
22 to Columbia, so -- at any rate -- and my mother, who is  
23 not able to work. So I'm trying to take care of the  
24 bills for five people in the household, all by myself.  
25 I've got a water bill of \$168.84. On top of that \$168.84

1       -- take into account that I did have a water leak -- my  
2       district water supply fee was \$174.40. That's \$300 --  
3       over \$300 for one monthly water bill.

4               How am I going to -- that's like more than most  
5       people's car payments. And that's ridiculous. And I  
6       don't know if anybody else in this room has had a water  
7       leak before, but if that should happen to somebody that's  
8       on a fixed income or something else like that, that could  
9       financially devastate somebody.

10              On top of that, I definitely agree with all my  
11       neighbors and the fact that we don't have any hydrants.  
12       That is ridiculous. If we had to change the name of  
13       Woodlake Road to Yates Circle and it, you know, for the  
14       purpose of 911 so that they would be able to find it,  
15       obviously somebody was that concerned with that area. To  
16       have no hydrants, it's ridiculous. It's almost as  
17       ridiculous as not having seatbelts on our school buses.  
18       That's another issue.

19              And then as far as the water quality, there's a pink  
20       residue that comes out -- I'm sure everybody in my entire  
21       subdivision has to deal with this pink residue that they  
22       have to clean out of their shower, their toilets, and  
23       everything else. That's all I have to say.

24              **CHAIRMAN HAMILTON:** Would you answer any questions.  
25       Commissioner Mitchell?

1           **COMMISSIONER MITCHELL:** Yes, sir. How long have you  
2 experienced this pink residue that you're saying? Has  
3 that been for a month, or several years, or --

4           **WITNESS:** No, this has been over the course of about  
5 the last four years that I've lived here.

6           **COMMISSIONER MITCHELL:** For four years you've  
7 experienced this over and over?

8           **WITNESS:** Yes, sir. It's not been getting worse;  
9 it's just a very common thing. My neighbors do have  
10 pools, and so forth. I noticed, you know, when they  
11 check their water, some of them do have tests very high  
12 for hard water, which is a very common thing. But I do  
13 notice a lot of pink residue in the toilets, right around  
14 the edge of the water, as well as the edge of the shower.  
15 So I don't know what it is. I have no idea what it is.

16           The water leak dropped my pressure a little bit,  
17 increased my bill, but there's nothing pink underneath  
18 the ground at my house, so where that's coming from, I  
19 have no idea. I don't know if anyone else is  
20 experiencing any similar problems, but after speaking  
21 with Utilities Services the last time, no customer  
22 service, no answers, and the only thing I got was a  
23 round-and-round circle of I'll-call-you-backs.

24           **COMMISSIONER MITCHELL:** Okay. Now, tell me about  
25 the water leak. The water leak was actually on your



1 property, in your house?

2 **WITNESS:** Yes, it was on my side of it. On my side  
3 of it. And basically what I was dealing with was, my  
4 water meter is up at the street. They ran a -- whoever  
5 built the structure ran somewhat of a hard plastic water  
6 line all the way down to my spigot out front, teed off of  
7 that, and then went into the house. I don't have any  
8 money -- as I said, I'm supporting three children, a six-  
9 year-old, an eight-year-old, and a ten-year-old, who are  
10 all in school, and my mother who is not able to work, on  
11 my own budget. And I don't have that much money, so I  
12 didn't have \$1,000 on Friday night to call the plumber  
13 and say, "I've got a water leak."

14 The person from Utilities Services of South  
15 Carolina, after six months of bills in excess of \$150,  
16 came and knocked on the door and told my mother, first  
17 thing in the morning, "You must have a water leak,  
18 because your water meter is spinning out of control."  
19 Did he shut the water off? No. So she stayed there all  
20 day long. She called me up. I work in Spartanburg.

21 So I rushed home after work on a Friday evening to  
22 find that there was no water out in the yard, there was  
23 no water underneath the house. Apparently the water line  
24 had broken in between the cinderblock where the house  
25 itself -- where the foundation of the house is. So of

1 course, that's my own problem. I didn't have any money  
2 to pay for a plumber, so I had to start digging it out,  
3 and I did that until about 1 o'clock in the morning, and  
4 I was actually able to repair the leak.

5 So, at any rate, it only cost me \$36 and about seven  
6 hours of my children's time to fix the water leak.  
7 That's not their fault, not their problem. But take into  
8 consideration, if anybody else has a water leak and  
9 they're on a fixed income, just God help them.

10 **COMMISSIONER MITCHELL:** That's all I have.

11 **CHAIRMAN HAMILTON:** Do we have any other questions  
12 of Mr. Kratz? Commissioner Moseley?

13 **VICE-CHAIRMAN MOSELEY:** When was that, what year and  
14 month?

15 **WITNESS:** Just now.

16 **VICE-CHAIRMAN MOSELEY:** Recent?

17 **WITNESS:** Yes, this was -- [indicating]. Let's see.  
18 It was three weeks ago on Friday. I'm not sure of the  
19 exact date. Just to let you guys know what kind of  
20 company we're dealing with here, that was Friday that  
21 this man came and told my mother about this water leak.  
22 The water leak was repaired by midnight Friday -- well,  
23 by 1 a.m., roughly. Saturday morning, my water was  
24 turned off because I already had a past due bill. Right  
25 now, I have a bill for two months of water, \$518.96. How

1 I'm going to pay that, I have no idea. My credit cards  
2 are maxed out from paying for everything. I don't know  
3 how I'm going to pay it. And now they want 50 percent  
4 more than that? So we can turn \$518 into roughly \$750,  
5 \$760. Please help us out.

6 **CHAIRMAN HAMILTON:** Thank you, Mr. Kratz, very much.

7 **WITNESS:** Yes, sir.

8 [Applause]

9 **CHAIRMAN HAMILTON:** Please.

10 **MR. MELCHERS:** Larry Chatham? And then Claire Hicks  
11 will be next.

12 *THEREUPON came,*

13 *L A R R Y C H A T H A M ,*

14 *who, having been first duly sworn, testified as follows:*

15 **MS. BOYD:** Please state, for the record, your name,  
16 address, and subdivision.

17 **WITNESS:** My name is Larry Chatham. My address is  
18 104 Shannon Drive, in Clearview subdivision.

19 I'd like to, first of all, agree with Ms. Wilson,  
20 who made a very, very good presentation. These rates are  
21 just outrageous. I mean, I've never -- well, I've been  
22 in my house for 20 years. Last month was 20 years I  
23 moved into my house. When I first moved in, I was on  
24 Hughes. We were on wells. Hughes Well Drilling. And my  
25 bill was like \$12 a month.

1           That got to be too much for Hughes to comply with  
2 all the regulations and well maintenance and all, so they  
3 sold out. And my bill went to an average of about \$35 or  
4 \$40 a month. Which still, at the time, I had a problem  
5 with, but, you know, eventually I said, "Well, hey, okay.  
6 You know, it's all right. Forty bucks a month, that's  
7 all right."

8           So then we get this notice from US utility, telling  
9 us that they're going to charge a distribution fee.  
10 Well, my wife and I both assumed, you know, well, you  
11 know, a distribution fee, \$8, you know, \$10 bucks,  
12 something like that. And when this thing comes out, it's  
13 more than what my water bill is every month. And we try  
14 to get answers for it, you know, why, you know, "What is  
15 this cost? What are you doing for us." You know, nobody  
16 talks to us, nobody will give us any answers.

17           This nice lady over here tried to give me an answer  
18 of how they figured these distribution fees, and I guess  
19 I'm not nearly as smart as I thought I was, because I  
20 couldn't understand how they worked that up. But these  
21 fees are just plain outrageous. I get -- my water comes  
22 from West Anderson. I can't complain about the water.  
23 But as far as the company service, keeping the lines and  
24 all up, the lines in my subdivision are approximately 30  
25 years old. They only repair -- only thing they've done

1 with it is put the master meter out there to tie on to  
2 West Anderson Water Company, and they've come in and  
3 repaired breaks in the lines.

4 I've seen them in there twice in one week. They  
5 repaired a break in the line. Then the same -- it was  
6 like three days later, they was back out, 10 feet -- not  
7 10 feet away from where they repaired the break,  
8 repairing another break because they had moved the pipe.  
9 That's how bad the lines are in the neighborhood.  
10 They've not put any new lines in, done any type of major  
11 work whatsoever in the neighborhood. We can't get fire  
12 hydrants in. We spoke with -- had a representative to  
13 come, had a meeting with the neighborhood. He told us,  
14 "Well, if you could get one -- we've got one of your  
15 neighbors that we would like to run a line across his  
16 property to another neighborhood. If you could get him  
17 to let us run that line, it'll be a six-inch line and we  
18 can put a fire hydrant on there for the neighborhood."  
19 It's nothing more than us -- wanting us to put pressure  
20 on my neighbor to give them the right-of-way to serve  
21 somebody else and put them in the same predicament we're  
22 in.

23 We are trapped. There's nothing we can do. My  
24 neighbors around me on West Anderson average -- my bill,  
25 my water usage averages around 6,500 gallons a month.

1 People that I know and work with just outside the  
2 neighborhood on Gerard Road, where the line runs at, that  
3 are on West Anderson Water Company, averages -- the man I  
4 work with averages the same thing, his is 6,500, 7,000  
5 gallons a month; his bill averages around \$35-\$40 every  
6 two months.

7 Now they tell me this distribution fee, or whatever,  
8 is the fee that -- I was first told it was the fee that  
9 West Anderson was charging them to supply water. Well,  
10 when we talked with West Anderson, West Anderson says,  
11 "No, we're not charging them any more per thousand  
12 gallons than we would charge you if you were on our  
13 line."

14 So, then, you know, I got the thought -- you know,  
15 I've got to ask why are we paying for this? We're paying  
16 for water twice. It doesn't matter how you look at it,  
17 how much math you put into it, how that goes around. We  
18 are paying double for the water usage that we use, and a  
19 lot of time -- I'm in the same predicament as a lot of  
20 these other folks. There's a lot of times this  
21 distribution fee is actually more than the amount of  
22 water that I use for a month, the cost of my water. I  
23 mean, that's ridiculous.

24 There's nowhere in this country that they would  
25 allow something like that, if it were in any other

1 business. If it were GM or anybody else, they would cut  
2 them off at the throat, right there. The government  
3 would step in. And that's what we're asking you to do.  
4 We're asking you to step in and stop this. We're not  
5 living in Chicago, we don't make Chicago money, but we're  
6 being charged Chicago rates, and I'm afraid -- well, I  
7 better not say that. There might be trouble.

8 **CHAIRMAN HAMILTON:** Thank you, sir.

9 **WITNESS:** That's all I have to say.

10 **CHAIRMAN HAMILTON:** Thank you. Do we have any  
11 questions of --

12 **COMMISSIONER HOWARD:** I've got one, Mr. Chairman.

13 **CHAIRMAN HAMILTON:** Commissioner Howard.

14 **COMMISSIONER HOWARD:** Mr. Chatham, would you happen  
15 to know what size line is running to Clearview?

16 **WITNESS:** Four-inch, sir.

17 **COMMISSIONER HOWARD:** Four inches? Okay, thank you.

18 **CHAIRMAN HAMILTON:** Thank you, very much, Mr.  
19 Chatham.

20 **WITNESS:** Thank you.

21 [WHEREUPON, the witness stood aside.]

22 **MR. MELCHERS:** Next is Claire Hicks.

23 *THEREUPON came,*

24 **C L A I R E H I C K S ,**

25 *who, having been first duly sworn, testified as follows:*

1           **MS. BOYD:** Please state, for the record, your name,  
2 address, and subdivision.

3           **WITNESS:** My name is Claire Hicks, commonly known as  
4 Dino Hicks. Most of my neighbors know me as Dino. I  
5 live at 212 Arcadia Drive, in Anderson. That's Town  
6 Creek Acres.

7           I want to tell you how it all began with feeling  
8 like I was a hostage over our water. As a single parent  
9 and widow, I built my retirement home in 1993 at the  
10 current residence where I live. It's probably one of the  
11 smallest homes in that neighborhood. I was told, when I  
12 was getting ready and buying my lot, that Hammond Water  
13 would supply my water. They were across the street.  
14 When I got ready to tap in, they said, "Oh, well, we're  
15 not on your side and we can't go under the road with  
16 water line," so I had to go to Upstate Utilities at the  
17 time. Had to pay for a line to come down from the third  
18 house -- I'm the seventh, on the end of the street. Had  
19 to pay for that water line to come down and hook in.  
20 Already a hostage, in 1993.

21           My water bill has progressively grown. I'm a widow,  
22 live by myself. I work. I haven't been home yet  
23 tonight, and I left the house approximately 7 in the  
24 morning and I usually don't get home until 8 or 9. As a  
25 single parent -- I mean, a single person in my home, I



1 wash three, maybe four loads of clothes a week, at the  
2 max. Small loads. I consume very little because I eat  
3 out. Most of my business is I'm at dinners, so I don't  
4 cook a lot. I have no grass in my yard, due to a  
5 drought, because I couldn't afford to water the grass or  
6 my shrubbery. My water bill this past month was over  
7 \$40. With a 50 percent, or 49 percent increase, we're  
8 looking at me paying \$80 a month for liquid gold.

9 I don't understand why Utilities' water is higher  
10 than Hammond's. Hammond Water across the street, at that  
11 time -- or used to be Hammond. I think Utilities now  
12 owns it all -- was always lower than my water bill, when  
13 I was with Upstate. And it steadily increased once they  
14 got that usage charge on there.

15 Let me give you some comparison of my utility bills.  
16 My gas bill is \$26 on equal payment plan. My power bill  
17 is \$73 on equal payment plan. I'm going to be looking at  
18 a water bill that's more than my power and my gas bill.  
19 How is that possible? How is that possible?

20 I am coming to you and asking you for compassion. I  
21 live on a meager income. There are several people like  
22 me. Why is the water so desperately higher in one  
23 district compared to another? Where is the equality?  
24 There's a problem -- is our water different from theirs?  
25 Are we getting a better service? I'm asking you these

1 questions. Help me. Help me understand why there should  
2 be a 49 percent increase in a utility that I have not  
3 seen increase a benefit to me, and 49 percent.

4 Can anybody explain that to me? No? I can't -- I  
5 can't understand it either. That's all I have to say.  
6 Thank you.

7 **CHAIRMAN HAMILTON:** Thank you, ma'am. Do we have  
8 any questions of Ms. Hicks?

9 [No response]

10 **CHAIRMAN HAMILTON:** Thank you for testifying, Ms.  
11 Hicks.

12 **WITNESS:** Thank you.

13 **CHAIRMAN HAMILTON:** I believe that's --

14 [Applause]

15 **CHAIRMAN HAMILTON:** Excuse me, sir. I believe  
16 that's the last person that we have that had signed up.  
17 We still have approximately 10 or 15 minutes, if anyone  
18 desires to speak that didn't have time to sign up, we'd  
19 be happy to hear from you at this time. Yes, sir.

20 *THEREUPON came,*

21 **B I L L K O N E N ,**

22 *who, having been first duly sworn, testified as follows:*

23 **MS. BOYD:** Please state your name, address, and  
24 subdivision.

25 **WITNESS:** Bill Konen, 106 Acorn Drive, Oakwood

1 Estates. I simply want to say that I agree with  
2 everything that's been said, but I would not stop there.  
3 I would not only deny the increase, I would review the  
4 past rate increases for a possible revocation.

5 **CHAIRMAN HAMILTON:** Yes, sir. Would you please  
6 spell your last name, sir?

7 **WITNESS:** K-o-n-e-n.

8 **CHAIRMAN HAMILTON:** K-o-n-e-n. Thank you, very  
9 much, for testifying.

10 [WHEREUPON, the witness stood aside.]

11 **CHAIRMAN HAMILTON:** Do we have anyone else? Yes,  
12 sir.

13 *THEREUPON came,*

14 *K E N C H E E K ,*

15 *who, having been first duly sworn, testified as follows:*

16 **MS. BOYD:** Please state your name, address, and  
17 subdivision.

18 **WITNESS:** I'm Ken Cheek. I live at 311 Lakewood  
19 Drive, in Lakewood subdivision. I've been there --  
20 February will be 35 years.

21 I've had my water bill misread at least two times by  
22 a significant amount, and when I called and asked for an  
23 adjustment, they sent somebody out, re-read it, said  
24 there was a mistake. When I asked for a refund, I was  
25 told that that would work its way out in the next month

1 or two billing cycles. So basically, they're getting an  
2 interest-free loan. Not only are they gouging, but  
3 they're also taking advantage when they make a mistake.

4 Most small businesses, or large businesses, have to  
5 suffer the ramifications if they make a mistake, but  
6 Utilities Services of South Carolina can mismanage;  
7 there's no incentive for them to be efficient. They're  
8 going to pass that bill along to us.

9 I also asked them how they arrived at the district  
10 water fee, and I was told that whatever water was used,  
11 if there was a line breakage, if there was fire hydrants  
12 and the fire truck hooked up to it, whatever water went  
13 through those lines was passed on to all the residents  
14 within that neighborhood. So they have absolutely no  
15 incentive to get out and repair a line that's broken.  
16 They can wait that week or two weeks, because they're  
17 going to get their money.

18 Also I didn't realize that you have to or should  
19 drain your hot water heater about every year, and mine  
20 filled up with red mud, and that had to be through the  
21 water lines. The sediment just settles in the bottom of  
22 your hot water heater and eventually it had to be  
23 replaced. I've drained it three or four times as soon as  
24 I found out that was necessary, and red mud was still  
25 coming out.

1 I also support Melanie. I think she did an  
2 excellent presentation. And that's all I have to say.

3 **CHAIRMAN HAMILTON:** Thank you, very much, Mr. Cheek.

4 **MR. MELCHERS:** Could you spell your last name for  
5 us, please, sir?

6 **WITNESS:** C-h-e-e-k.

7 **MR. MELCHERS:** Thank you.

8 **CHAIRMAN HAMILTON:** Any questions of Mr. Cheek

9 [No response]

10 **CHAIRMAN HAMILTON:** Thank you, sir, for testifying.

11 [WHEREUPON, the witness stood aside.]

12 **CHAIRMAN HAMILTON:** Is there anyone else? If not --  
13 yes, sir.

14 **VOICE:** I'd like to offer an opportunity for the  
15 representative from the water company to address some of  
16 the questions that we had, if that would be appropriate.

17 **CHAIRMAN HAMILTON:** After the hearing, the water  
18 company people will still be here, and I think they'll  
19 have to move to another space but I'm sure they will be  
20 able to -- will be willing to answer your questions, sir.

21 **VOICE:** Thank you.

22 **CHAIRMAN HAMILTON:** All right.

23 *THEREUPON came,*

24 *L O U R O T O L A ,*

25 *who, having been first duly sworn, testified as follows:*

1           **MS. BOYD:** Please state your name, address, and  
2           subdivision.

3           **WITNESS:** My name is Lou Rotola, and I live at 103  
4           Arcadia Drive, in Anderson. That's the Town Creek Acres  
5           community.

6           I did not come here prepared to make a presentation  
7           tonight, but I've been listening pretty good. I think  
8           I'm a fairly good listener. And I totally agree with  
9           everything that's been said so far. What I have -- and  
10          it kind of just dawned on me this last minute -- is, I  
11          have a question.

12          This notice states -- everyone has been talking  
13          about service, the increase in price of water. And I  
14          totally agree. But I haven't heard anybody ask about a  
15          justification for a 49-1/2 percent increase. As I read  
16          this notice, it states, "In support of its request for an  
17          adjustment in the company's water and sewer rates, terms,  
18          and conditions, USSC asserts, among other things, that  
19          the proposed water and sewer rate increases are necessary  
20          in order that it may provide reasonable and adequate  
21          service to its customers, comply with the standards and  
22          regulations set by the Department of Health and  
23          Environmental Control and other government agencies which  
24          regulate environment aspects of the company's business,  
25          and earn a reasonable return on its investment, and

1 attract capital for future improvements.

2 "The company also asserts that the proposed water  
3 and sewer rate increases are necessary to preserve its  
4 financial integrity and to permit continued investment in  
5 and maintenance of its facilities so as to provide  
6 reliable and high-quality services."

7 Two years ago, I think the approximate increase was  
8 30 percent, plus. Here it is two years later, 49-1/2  
9 percent. Have the regulations changed so much that the  
10 company needs an additional 49-1/2 percent increase to  
11 comply with the regulations? And if that's true, why  
12 isn't every other water supplier asking for the same type  
13 of increases?

14 As far as service is concerned, I've lived at my  
15 address for 34 years. Nothing new has been done. There  
16 has not been any improvements. I haven't seen any new  
17 lines in. I haven't seen anybody come out and put a new  
18 meter. I've seen no new improvements.

19 As far as the company -- as far as the company  
20 increasing its capital for future improvements, what  
21 improvements does the company plan on making? What did  
22 they -- what did they plan on doing when they got their  
23 30 percent, plus, increase two years ago?

24 I questioned this, and if this is their  
25 justification for that increase, this, there's a problem

1        somewhere. I'd be interested in the company explaining  
2        what the change in regulations are. Does that mean they  
3        have to go into all of these communities and change  
4        things to satisfy these regulations? Have the  
5        regulations changed over a two-year period? It tells me  
6        that either they've changed and the company has to  
7        physically make changes, or it tells me they haven't been  
8        adhering to them in the first place, and that, all of a  
9        sudden they're going to have to.

10       But to me, this paragraph certainly is no  
11       justification for a 49-1/2 percent increase, unless the  
12       company can stand up here and justify it to this  
13       Commission. Thank you, very much, for your time and  
14       allowing me to speak.

15       **CHAIRMAN HAMILTON:** Thank you, sir. Yes, sir, thank  
16       you for being here.

17       **MR. MELCHERS:** Sir, could you spell your last name  
18       for us, please?

19       **CHAIRMAN HAMILTON:** He's a poor speller.

20       **WITNESS:** R-o-t-o-l-a.

21       **CHAIRMAN HAMILTON:** Thank you, sir.

22       **MR. MELCHERS:** Thanks.

23       **WITNESS:** You're welcome.

24       [WHEREUPON, the witness stood aside.]

25       **CHAIRMAN HAMILTON:** I believe now we've about



1 reached the hour that we have to vacate the building. I  
2 would like to thank this audience at this hearing for  
3 their conduct throughout the hearing. You have allowed  
4 everyone that wanted to speak, that had signed up, plus  
5 others, to have time in the allotted time to be able to  
6 put their information that they had on the record.  
7 You're to be commended for that. We invite you to come,  
8 if possible, to be hearing in Columbia. And the date --  
9 Mr. Melchers, if you could tell them the date again, of  
10 that, sir.

11 **MR. MELCHERS:** I certainly will. December 13th, at  
12 10:30 in the morning.

13 **CHAIRMAN HAMILTON:** December 13th, 10:30 a.m., in  
14 Columbia. If you can come, or any of you that can, we'd  
15 be happy to have you. Thank you, very much. We stand  
16 adjourned.

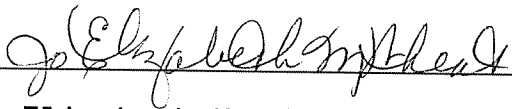
17 [Witness[es] excused.]

18 [WHEREUPON, at 8:26 p.m., the hearing in the  
19 above-entitled matter was adjourned.]  
20  
21  
22  
23  
24  
25

## CERTIFICATE

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in a hearing held in the above-captioned matter before the Public Service Commission of South Carolina.

Given under my hand, this the 21<sup>st</sup> day of November 2007.

  
Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:

\_\_\_\_\_  
Charles L. A. Terreni  
CHIEF CLERK/ADMINISTRATOR



**KEVIN L. BRYANT**  
SOUTH CAROLINA SENATE DISTRICT 3  
ANDERSON COUNTY

COMMITTEE ASSIGNMENTS:  
JUDICIARY  
AGRICULTURE & NATURAL RESOURCES  
LABOR, COMMERCE & INDUSTRY  
MEDICAL AFFAIRS  
TRANSPORTATION

November 7, 2007

G. O'Neal Hamilton, Chairman  
South Carolina of Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210



Re: Docket 2007-286-WS

Dear Public Service Commissioners:

Thank you very much for having a public hearing in Anderson concerning the rate increase proposal by the Utilities Services of South Carolina. I have a number of constituents with documents verifying less than average water pressure, low quality customer service and water quality issues.

There is also a comparison of neighboring water companies charging rates already less than those of the USSC. I am sure the USSC will give you several reasons to justify these rate increases. For whatever these reasons may be, I would think the neighboring water companies have similar circumstances yet the neighboring customers seem to get fairer treatment. Simply put, these customers should not be subject to funding the mismanagement practices of USSC. It is not their problem. I would like to encourage the members of the Public Services Commission to take great efforts to examine the issues raised by my constituents.

I am a retail pharmacist. In my profession, an unsatisfied customer can simply choose to shop at a different drug store in town. Utilities customers do not have an option, therefore we ask you, the Public Service Commission, to intervene and protect these working families. They simply cannot afford an unfair price increase for an essential need such as water.

With warmest personal regards, I remain

Respectfully,

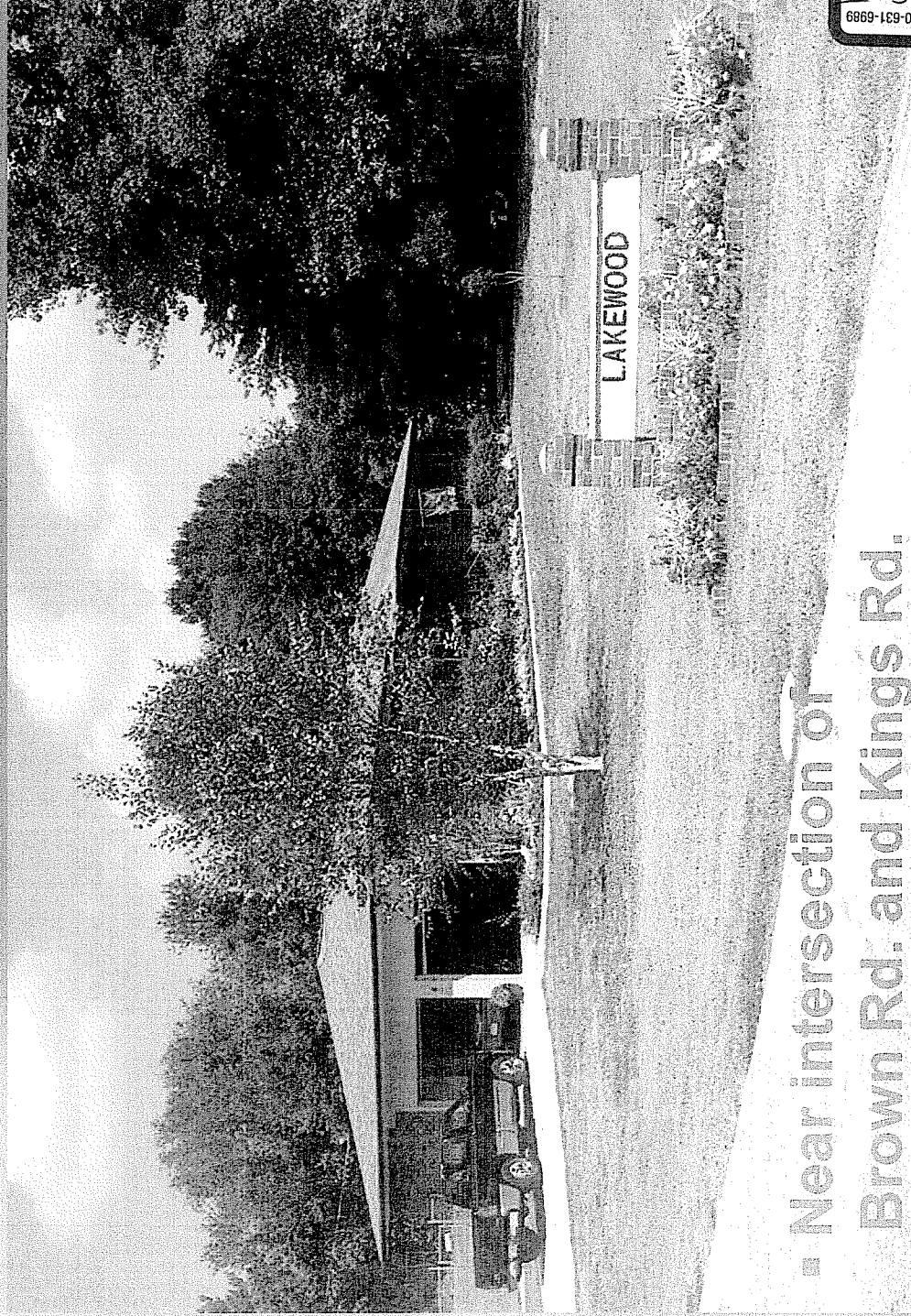
A handwritten signature in black ink that reads "Kevin L. Bryant".

Kevin L. Bryant  
South Carolina Senate District 3

606 Gressette Building  
Post Office Box 142  
Columbia, South Carolina 29202  
803.212.6100

bryantk@scsenate.org  
104-A North Avenue  
Anderson, South Carolina 29625  
864.202.8394

# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION



- Near intersection of Brown Rd. and Kings Rd.
- More than 60 homes

PENGAD 800-631-6999  
EXHIBIT 4  
10895  
11/7/07  
2007-286-635



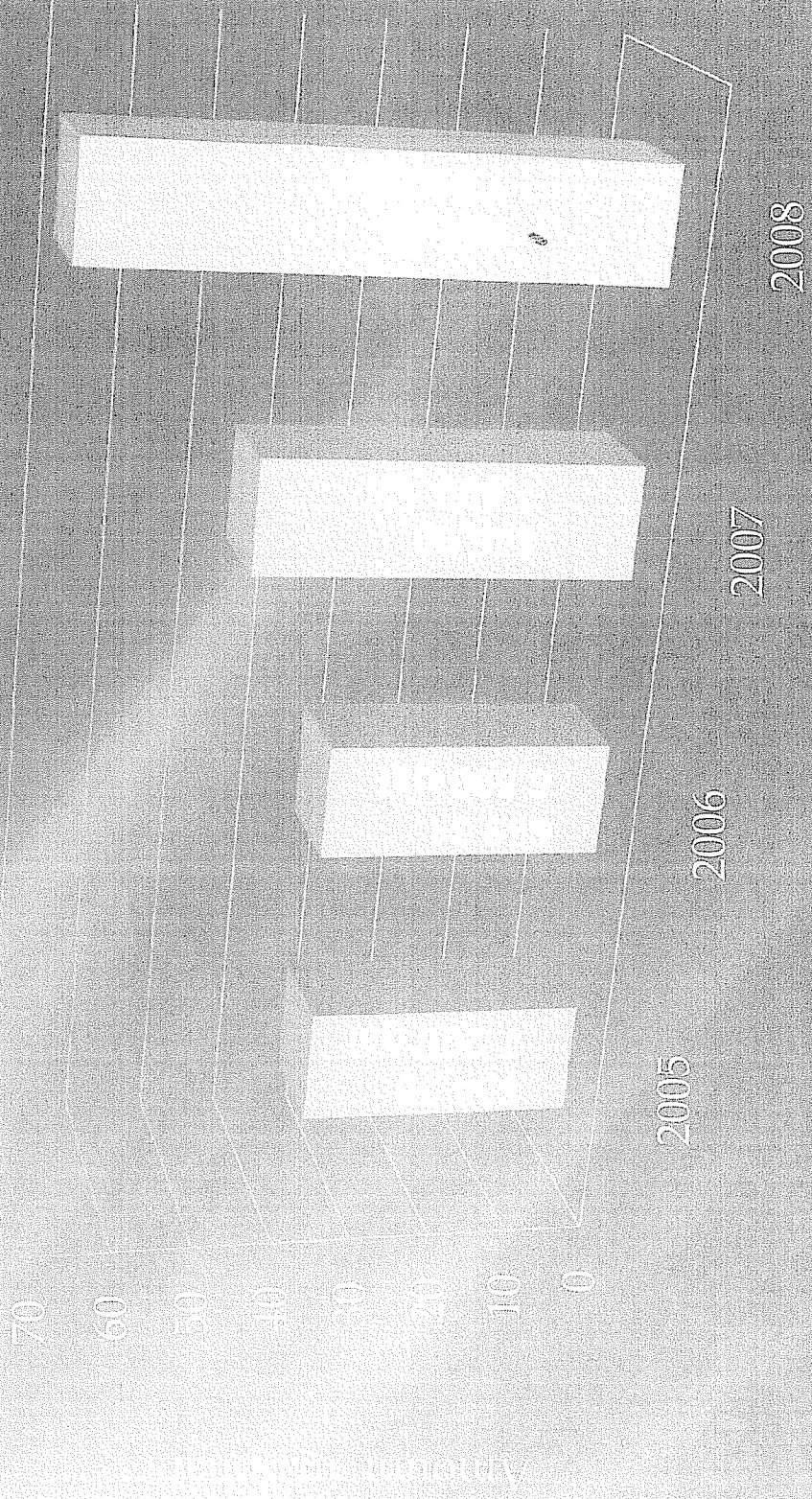
# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

- ▣ Hughes Well Company originally owned Lakewood's water supply
- ▣ Sold to Utilities Services of South Carolina (USC)
- ▣ Wells closed and USSC purchases water from Hammond Water Company



# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

Average Water Bill





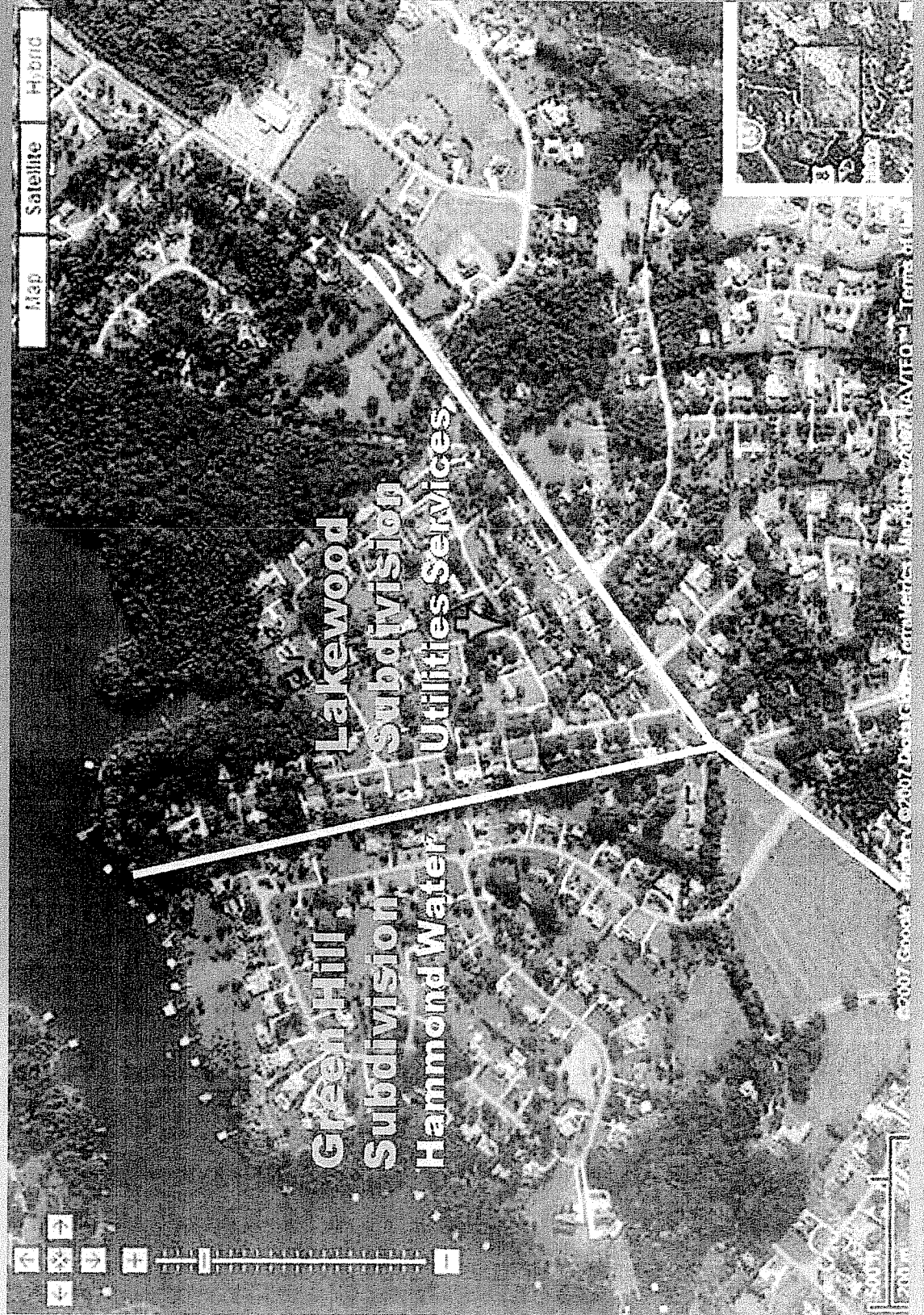
# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

	Billing Period	Gallons Included	Basic Rate	Cost Per 1000 gal	District Water Fee per 1000	DHEC fee	Total Monthly	Total Bi-Monthly
Barabond	2 months	4000	15.30	2.34		0.90		34.02
Beauregard	2 Months	4000	23.50	3.20		1.00		49.10
Chickasawville	2 Months	4000	21.45	3.31		0.45		47.93
Clayway	2 Months	2000	23.00	3.53				58.30
Clayton	2 Months	4000	15.00	3.75		*2.25		45.00
Clinton Park	Monthly	2000	12.50	2.90		*4.00	24.10	
Clinton Springs	2 Months	4000	22.50	2.90		0.60		45.70
Clinton Services	Monthly	0	14.39	2.24	**2.24	1.08	41.27	82.54
Clinton	Monthly	0	21.51	3.34	**3.34		61.59	123.18

Based on 6000 gallons per month. Serv says this rate is variable  
DHEC fees billed once a year



# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION



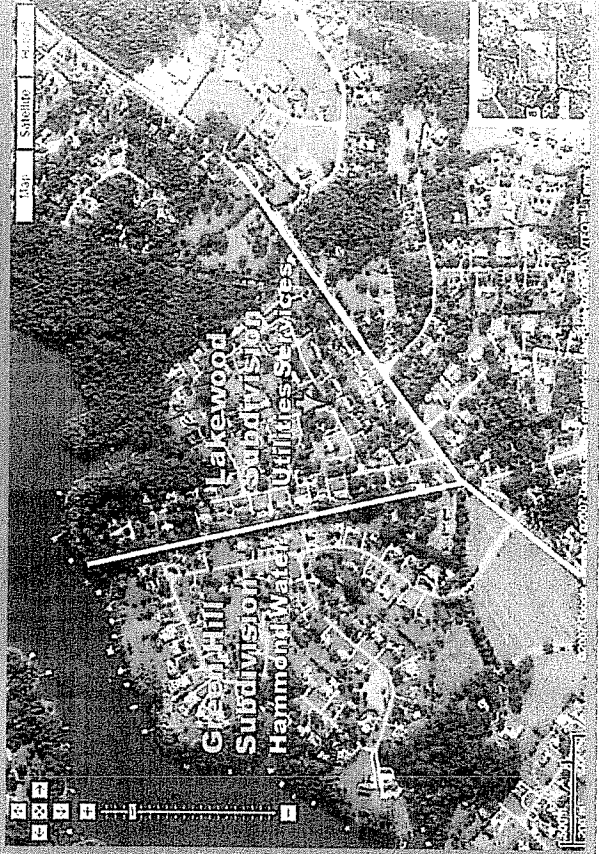


# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

Billing Period	Gallons Incl	Basic Rate	Cost Per 1000 gal	USSC fee per 1000 gal	DHEC fee	Total Monthly	Total Bi-Monthly
Green Hill 2 mos.	4,000	\$15.30	\$2.34		\$0.90	\$17.01	\$34.02
Lakewood Monthly	0	\$14.39	\$2.24	\$2.24	\$1.08	\$41.27	\$82.54

Based on 6,000 gallons per month

↑ 142%  
More than Green Hill





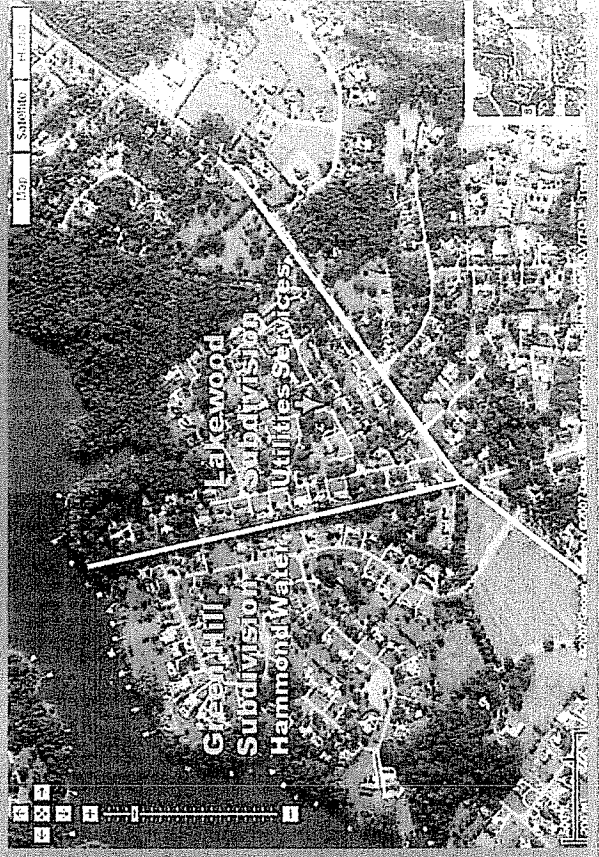
# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

Billing Period	Gallons Incl	Basic Rate	Cost Per 1000 gal	USSC fee per 1000 gal	DHEC		Total
					fee	Monthly	
New Rate	0	\$21.51	\$3.34	\$3.34	\$1.08	\$61.59	\$123.18

Based on 6,000 gallons per month

## Rate Increase Proposal

# ↑ 49%

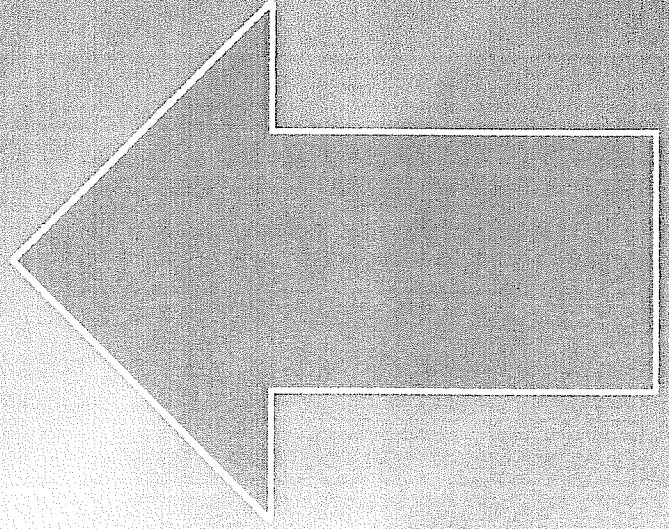




# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

Billing Period	Gallons Incl.	Basic Rate	Cost Per 1000 gal	USSC fee per 1000 gal	DHEC fee	Total	
						Monthly	Bi-Monthly
New Rate	0	\$21.51	\$3.34	\$3.34	\$1.08	\$61.59	\$123.18

Based on 6 000 gallons per month



# 262%

More than Green Hill



# INCREASING WATER RATES IN LAKEWOOD SUBDIVISION

## Public Service Commission of South Carolina Mission Statement

proactive regulatory  
process...

"...to best serve the  
needs of all the citizens  
of the State..."

**MISSION STATEMENT AND GOALS**

**MISSION STATEMENT:**  
The Public Service Commission of South Carolina is to carry out the regulatory functions and responsibilities set forth by the laws and policies of the State of South Carolina pertaining to the utility and transportation companies through a dynamic and proactive regulatory process that balances the public interest, the needs of the citizens of the State and the needs of the utility industry while encouraging a sense of fair and reasonable accomplishment for employees.

**GOALS:**

- Seek to ensure that the citizens of the State receive appropriate levels of customer satisfaction and quality of service for those services provided through the entities regulated by this Commission.
- Seek to ensure that within a more competitive utility environment that core of captive customers with little market power are not unduly burdened with the costs of competition and are provided appropriate service and service options.
- Seek to encourage innovation through the enhancement of Commission processes and the attainment of self-actualization by Commission employees through empowering these employees to carry out their responsibilities and rewarding them for their contribution to the attainment of Commission goals.
- Seek to modify the organizational process of the Commission in such a manner as to provide for the incorporation of project teams to address specific complex short-term issues that arise as a result of the dynamic nature of the utility industry regulated by this Commission.
- Provide an open, accessible and efficient regulatory process which is fair, cost effective and unbiased, while also exploring alternative methods of regulating the entities subject to the Commission's jurisdiction.
- Seek to ensure that the regulatory process results in fair and reasonable outcomes.
- Encourage efficiency, innovation, and technological growth among regulated entities.
- For the regulated entities, facilitate the provision of safe services at levels of quality and reliability which satisfy customer needs.
- Seek to ensure that all regulated entities' services to consumers comply with all legal requirements subject to the Commission's jurisdiction.



**RESOLUTION R2007-061**

**A RESOLUTION SUPPORTING THE RESIDENTS OF LAKEWOOD SUBDIVISION  
IN THEIR EFFORTS TO OPPOSE EXCESSIVE RATE INCREASES FOR WATER  
SERVICE; AND OTHER MATTERS RELATED THERETO.**

**WHEREAS**, the Anderson County Council (the "County Council") is elected by and representative of the citizens of Anderson County (the "County"), and is therefore deeply involved in, and affected by, all the events in the lives of its citizens; and,

**WHEREAS**, since approximately 2002, the water system in Lakewood Subdivision ("Lakewood") in Anderson County has been owned and operated by Utilities Services of South Carolina, Inc. ("USSC"), a private entity that, among other things, provides water service to the residents of Lakewood; and,

**WHEREAS**, in order for USSC to increase the rate it charges for services, USSC must submit an application for such increases to, and be approved by, the South Carolina Public Service Commission; and,

**WHEREAS**, the residents of Lakewood have articulately expressed their concern regarding a recent application made by USSC proposing a rate increase for water service in Lakewood; and,

**WHEREAS**, based on information provided by Lakewood residents to Anderson County Council on October 2, 2007, it appears that from 2005 to 2006, the rate for water in Lakewood increased approximately thirty-three percent (33%), and the recent proposal made to the South Carolina Public Service Commission is for another forty-nine percent (49%) increase; and,

**WHEREAS**, based on the same information, a neighboring subdivision, whose water comes from the same source company, Hammond Water District, and whose water comes from the same water line as Lakewood, already pays considerably less on average than the residents of Lakewood, and if the proposed rate increases are allowed, the residents of Lakewood would apparently pay approximately one hundred forty-one percent (141%) more per gallon of water than those residents living in the neighboring subdivision; and,

**WHEREAS**, the County is fully supportive of County businesses, and has no desire to deny a reasonable profit and return on investment to anyone, but believes the proposed rate increases must be thoroughly examined to prevent excesses and abuses; and,

**WHEREAS**, the County recognizes that the evidence presented to County Council during its regular meeting on October 2, 2007 represents only one side of the story, but certainly appears to County Council to show that the proposed rate increase for the water is excessive and unreasonable; and,

**WHEREAS**, when citizens of Anderson County are forced by certain circumstances beyond their control to either accept what appear to be unreasonable decisions of private companies or else risk being deprived of essential public services, Anderson County Council desires to do everything in its power to support its citizens in their opposition to any such abuses, if supported by fact; and,

**WHEREAS**, in light of the apparent trend for USSC to periodically increase the rate for water and the significant difference between the per gallon rates for residents in Lakewood as opposed to the per gallon rates paid by residents in neighboring subdivisions for essentially the same water, notwithstanding USSC's right to a reasonable return on its investment and reasonable profit, Anderson County Council desires to express its support to the residents of Lakewood in their efforts to get a full and fair determination of a fair and equitable rate for their water and to oppose any excessive and unreasonable rate increases for water service in Lakewood, and desires to advocate on behalf of the residents of Lakewood by all appropriate means, including, without limitation, appearing at any South Carolina Public Service Commission hearings on behalf of Lakewood regarding this matter:

**NOW, THEREFORE**, be it resolved by Anderson County Council in meeting duly assembled that:

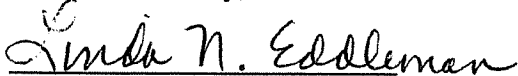
1. Anderson County, acting by and through its County Council, hereby pledges its support for the residents of Lakewood Subdivision in their opposition to any excessive and unreasonable rate increases for water service in Lakewood Subdivision.
2. The Anderson County Administrator and the Anderson County Staff are hereby authorized and directed to do any and all things necessary and appropriate in connection with this Resolution, including, without limitation, appearing at any South Carolina Public Service Commission hearings on behalf of Lakewood regarding this matter and forwarding a copy of the Resolution to the Anderson County Legislative Delegation and, if appropriate, to the South Carolina Public Service Commission.
3. This resolution shall take effect and be in force immediately upon enactment.

**RESOLVED** in meeting duly assembled this 2nd day of October, 2007.

**ATTEST:**

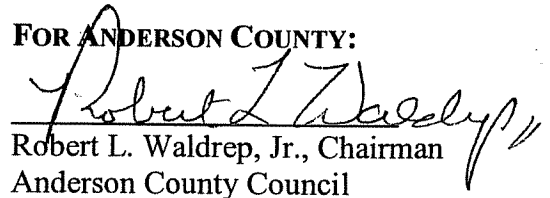


Joey R. Preston, Administrator  
Anderson County, South Carolina



Linda N. Eddleman, Clerk to County Council  
Anderson County, South Carolina

**FOR ANDERSON COUNTY:**



Robert L. Waldrep, Jr., Chairman  
Anderson County Council